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ERIC CHETWYN

Interviewed by: W. Haven North

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Q: Today is May 7, 1999 and the interview is with Eric Chetwyn Jr. Eric, why don't you start off by giving us a thumbnail sketch of your career as it relates to AID, very briefly.

CHETWYN: Okay. Well, I first joined AID back in 1962 because of a compelling interest in Asia. Oftentimes young people get these messianic missions that they have to complete and for me it was to do something in Indonesia. I became an Indonesian-file, so to speak and joined AID in something called the Asia Intern Program. Which were only three people. A guy by the name of Mike Birnbaum dreamed it up. I'll get back to that later because I want to talk about the Human Resources Development that I was particularly impressed with over my 30 years in AID. Anyway, I joined the Agency in this intern program and went to Indonesia and Korea in the program field. I found that I was pushing papers while the technicians were having all the fun so I took a couple of years off and went to Duke University to get a Ph.D. in Economics and get on the technical side of the program. Then I came back to AID, and incidentally, those years were sponsored by AID. I came back to AID to become one of a two-person staff called the Urban Development Staff, which was dreamt up by Joel Bernstein because he felt that Urban Development had to be sort of the leading initiative for AID around the corner. As it turns out it was always around the corner. I was on that staff as an Urban Development Advisor from 1972 to 1977. In the Reagan years, that office was absorbed into the Office of Rural Development and Rural Development became the Office of Rural and Institutional Development that is in the Technical Assistance Bureau a Global Bureau predecessor. Then I ended up in a division there, which had much of the portfolio of the old Office of Urban Development and then became the Deputy Director of that Office to Chris Russell. When Chris left in 1986 or '87, '87 I think it was, I became the Director of that Office. In keeping with the turn of events, the office was converted to the Office of Economic and Institutional Development, which focused on policy reform, stabilization issues, and economic transformation, particularly in the Eastern European countries, such as Russia. Then, in 1992, I retired. That's it.

Q: Okay. Very good. Well, now let's go back and talk a little bit about where you were born, where you grew up, your education and what was it in all that time that suddenly got you involved and interested in international development.

CHETWYN: I like that question. I guess everybody likes to talk about what spurred them on, into this interesting area. I was born in Massachusetts in 1936 and grew up there, essentially. We moved to New Briton Connecticut for my high school years and then went on to Northeastern University in Boston where I studied to be, or I thought I was going to be an Entomologist. And so I was in the field of Biology there. That lasted one year, in which I concluded that the horror mathematics of Biology was not for me, and went into the Army for three years.

Q: Were you stationed overseas or just in the U.S.?

CHETWYN: Just in the U.S. My home base became Fort Riley, Kansas and we did work also at Camp McCoy, Wisconsin during the summer, training reservists and National Guard.

Q: What branch of the Army was this?

CHETWYN: It was the Artillery. It's a part of my life that I certainly would never want to do over again, but I would have enlisted for the world. It was just a great broadening experience.

Q: Why was that?

CHETWYN: Well, first of all I think I was a young man who needed to be taught the essentials of responsibility and the Army was good at that. It was also really, really good at introducing me to the tremendous and rich mix that was America. I mean, we lived in the barracks with guys from the hills of Kentucky and from the ghettos of Detroit and from the private boy's schools of Brookshire, Massachusetts, and so it goes. It was just a great blend of American humanity and we all had to learn to work as a team and work together. While I was in the Army, I managed to get a year of college under my belt at what was then Kansas State College. It's now of course Kansas State University, a much larger institution. But I switched my alliance to Economics, which also has horror math and I can't explain that, but that's what happened.

Q: Well, if it's right. How in that process did you get interested in International Development?

CHETWYN: That's the part of it that really is my favorite question. I left the Army and went back to Northeastern University and finished up in two years. While I was there I read a book by a fellow named Arthur Goodfriend. He was a U.S. Information Service employee who had taken a one-year sabbatical and worked in a...took his family to a small village in Eastern Java and wrote a book called Rice Roots. And I don't know if anyone else in the world has ever read Rice Roots, but I read it and as a young man I was absolutely fascinated. Captured, it was over. My mission in life became one of going to Indonesia, working there in any capacity, other than say a soldier or missionary. And so then I just proceeded on a kind of a "Johnny One Note" approach towards the balance of my education, going to American University School of International Service, getting a Masters Degree in South and Southeast Studies, writing all my papers on Indonesia, taking the Indonesian language at Johns Hopkins University, writing my Masters on...eventually...actually I joined AID before I completed my Masters' Thesis.

Strangely, I was hired in this Asia Overseas Intern Program that was looking to bring people into the Agency...remember it was the days of the Ugly American... A Nation of Sheep. It was the early 1960s, 1962 actually, but the Agency at that time was reacting to the public concern that was raised by these books...you may remember them. A Nation of Sheep, Ugly American...they were books that showed that we really didn't understand the context that we were operating in and we were making all kinds of mistakes. The Agency was trying to get people into it's ranks who were familiar with the culture and language of the areas in which we'd be working. So, I happened to be fortunate enough to come in under that.

Q: Where did you hear about AID in that process? I suppose that was inevitable, given where you were in school and all. But, how did you hear about it and why did that appeal to you?

CHETWYN: You know, I'm not even sure where I heard of AID. I must have read about it in some of my studies at American University. When I started my job search, I knocked on all of the international doors. I wrote to CARE, I wrote to the Peace Corps, I wrote to AID...I was promoting myself on all fronts and it was USAID that first came through with an offer. I even had an offer to go into the Army...is it G4 the Intelligence? G2, was Intelligence. In Indonesia I was in a corps...I mention this because it may be of some relevance. I was one of the older fellows in some of my classes at American University and so, in evening courses I got to talking with a Colonel who was taking courses there. The Colonel happened to work for G2 and we were particularly enamored of Professor Rich's International Politics Course. The Colonel thought that I might join G2, the Intelligence Operation there, through a kind of cover in which I would be hired by a U.S. company to work in Indonesia. I would spend half of my time doing the company's duties and half of my time just ferreting information on the local economy and environment. He proposed it as a project to his boss in G2 and after I had accepted the job with AID he called me and said, "Well, the project has been approved." Fortunately, I think, very fortunately for me, AID had already made its move.

Q: Well, what was this Intern Program you started with...it sounds kind of unusual?

CHETWYN: Well, it really was unusual. A fellow by the name of Mike Birnbaum, who was interested in Human Resource Development, started the program called the Asia Overseas Intern Program. I think he was resonating to this desire of the Foreign Service Establishment to bring in people who had background and training in Area Studies. He was able to get approval for three interns and they happened to be three people who stayed the course in AID, so I think there is something to be said for these intern programs. Don Dombrowski was one, and I think you know Don very well; he went on to have a distinguished technical career in AID. The other was Ted Morris, and Ted of course has been, I don't know if he's done his memoirs yet, but they would be most interesting because he has been the guy who has pulled our fat out of the fire in all of the major disasters that AID has worked with. I guess he was part of the Honduras operation, he was working in, what other places? Southern Africa Program...he was working in situations where there was crisis, refugees, starvation, para-military involvement and so on.

Q: I have about 90% of his history so far.

CHETWYN: Oh, great.

Q: Really, that's a very interesting group. Did they give you any particular orientation or training? Why did they pick you? It's not the regular IDI program that AID had, this is rather special.

CHETWYN: Well, they singled us out because we all had training in Asian Studies. We were all very interested in Asian Studies and we all had Masters level work in Asian Studies and Asian languages. The idea was to hire us, put us in Washington for a spell working at a desk; we were really focused. I think Don was Thailand, or Ted was Thailand, and Don was Taiwan, and I was Indonesia. The idea was to put us on the country desk, put us in orientation there, then bring us into the field. It was a two-year orientation period, so about six months in Washington, followed by a period of two or three months in various Missions around the region before returning back to your own Mission.

Q: Did you do all that?

CHETWYN: No. I wish I had more perspective at that time, but I was so "Johnny One Note", as I mentioned to get to Indonesia, that I simply went to the Indonesia desk. I worked with people there like Wen Drissol and then went directly to Indonesia. I never pressured to go to Thailand or any of the other countries that were on the agenda, but eventually, I think because of costs and lack of Mission interest in getting someone for a couple of months and then loosing them, that part of the program was dropped. I don't know whether that was a wise move or not, but that was dropped.

Q: So then, during that period though, did you go to Indonesia? Or where you just working at the desk?

CHETWYN: Well, I worked on the desk for two months, and then I went to Indonesia. I wish I had spent a little longer in Washington, because Washington is a very bewildering place, two months was just enough to give you enough information to be dangerous. In hindsight, I certainly would have pushed for a longer time in Washington and pushed a little harder to go to some of the other Missions.

Q: What was your impression of the Agency at that time?

CHETWYN: I was mesmerized. These were the Kennedy Years and there was so much excitement in the halls of AID that it was palpable. The place was bristling with excitement and new ideas and great promise.

Q: What were the new ideas? Do you have any recollection of what was so appealing?

CHETWYN: Well, I remember one particular initiative that, of course, was appealing to me. In Indonesia I got to be the coordinator for it. That was something that Bobby Kennedy introduced, and that was the Youth Program. I don't know whether you remember that, but Bobby Kennedy said that we had to influence and get with the young Ho Chi Minhs of Indonesia and Thailand and the African countries, and so on. I think that there was a great recognition there that these, particularly the young nationalistic leaders, were going to be cutting quite a swath in these countries and we needed to know who they were and we needed to cultivate that through training programs in the U.S. and third countries and information, etc.

Q: And you went out to Indonesia to found it? What happened when you left after two months? Where did you go?

CHETWYN: I think, just to get to the second part of that question. I think that the other thing that we thought we could do back in those days was really turn a national economy around. Every Mission was supposed to come up with a Country Development Program. That was quite in contrast with what we do today. If you think about what a bite a Country Development Program was. Every country had to come up with one of those. I think we had enormous ambition and confidence in what we could do.

Q: Do you remember it?

CHETWYN: Yea. Of course the Mission Economist was heavily involved, the Program Officer was heavily involved and ultimately the different technical sectors that were a large part of the Missions at that time. A lot of the technical work was actually done hands-on by the Missions. You would have kind of an economic analysis of the country, a political analysis...although the political analysis was not as sophisticated as they are today. I think that we were not as conscience of the interplay between politics and economics as we were convinced that getting the policies right was all that it was going to take. It was an economic analysis of the country; it was an identification of key development sectors, sectors that would be most likely to move the countries in the right direction, an analysis of those sectors and then the delineation of programs to address the key problems in those sectors.

Q: Was there any particular development strategy or policy behind this that would have guided you with approach?

CHETWYN: I remember in the case of Indonesia, we certainly had a Stabilization Program. An Economic Stabilization Program, which involved the Development Assistance Committee/OECD (DAC) countries, the World Bank, IMF...remember this is the early '60s and we were convinced, of course rightly so, that Indonesia was a critical geopolitically strategic country. They were suffering the most egregious inflation that at that time we knew within the Agency. We were looking at inflation that was up around 2,000% a year. The realization was that you cannot have development in an inflationary environment like that. At the same time there were other critical areas that needed to be addressed like transportation and education and particularly the University sector. They just didn't have, I mean they were right out of the colonial era, and they did not have the technical expertise to run a successful economy.

Q: Well then, you did go out to Indonesia?

CHETWYN: Oh yes. In fact a lot of what I'm talking about...I only spent two months in Washington.

Q: What year did you go to Indonesia?

CHETWYN: I remember working with Lola Wakefield on the PL 480 Program, kind of a food balance, tables and so on.

Q: When did you go out to Indonesia?

CHETWYN: I went out in April of 1963.

Q: What was your position?

CHETWYN: I was Assistant Program Officer working under Cal Coles, who was a great mentor. He was just a super guy to start off with.

Q: The situation you were just describing in Indonesia was essentially the run-away inflation and economic stabilization?

CHETWYN: We were very concerned with the economic stabilization. The Mission Director there was Bill Ellis and Bill was a high powered economist within the Agency, but also kind of a policy oriented manager type who later went on to become Mission Director in Brazil.

Q: What was the political situation in Indonesia at that time?

CHETWYN: The political situation was volatile. You had Sukarno, who was a charismatic leader in the country, who was engaged in a tremendous balancing game of sort of balancing off the communist party and the military. I remember that the communist party had incredibly intelligent, inspired leadership. I think the leader of the communist party at that time was Aldit. He just seemed to know how to play the cards beautifully. One never quite knew where he was getting his direction from, whether it was China or whether it was Russia. He seemed to have pretty good links into both those countries.

Sukarno was of course a brilliant tactical politician, a mesmerizing speaker and one who could mesmerize even his enemies. I remember a meeting of the American Men's Association in Indonesia, and because Indonesia was making all the wrong moves with respect to inflation and with respect to the communist party and the confrontation policy that it had developed with Malaysia, it was really in a situation with very bad relations with the United States. Nevertheless, Ambassador Jones, I cannot remember his first name, but he was a very distinguished career Foreign Service Officer who was having extraordinary relationships with Sukarno, tremendous access. He could get in to see Sukarno any time. They were really great personal friends. At the same time, the relationships between the two countries were very sticky. So the Ambassador brought Sukarno to the American Men's Association and he was a luncheon speaker there. The room was bristling with contempt for this man and he got up there and spoke. By the end of the speech we were putty in his hands. He was just a mesmerizing speaker. He was a combination between George Washington and Clark Gable, because he was a terrible rogue with women and had that reputation.

Q: What were U.S. interests in the program? What were we trying to do in Indonesia at that time?

CHETWYN: Of course, Indonesia had a lot of oil and Caltex was there and other American companies...BF Goodrich was in and we had great rubber interests there. There were huge commercial interests there in Indonesia. Of course, you had the fear of the Chinese Communists and the fear of the domino effect in Asia. Vietnam was kicking up about this time. So we had tremendous political, economic and military interests, at that time. The Indonesian military was substantial and we had advisors in the USAID at that time, and the Embassy, working with the military. It was a pretty heavy-duty program. We also had a big police program.

Q: What was the scale of the USAID program?

CHETWYN: A lot of time and energy went into the stabilization program working with DAC (on aid coordination) and the World Bank. That was mostly in the area of negotiations with the government and promising various aid levels and various reforms would be made. We monitored Sukarno's speeches very carefully to see if he was moving in one direction or another. The key programs were agriculture, transportation, education and health. Malaria was a huge problem in Indonesia at that time. We were in, I think about the second or third stage of a malaria eradication program at that time.

Q: Let's stick with the Economic Stabilization Program. What was the scale? Were we providing a lot of balance payment support?

CHETWYN: You know, I was at a very junior level at that time within the program office and was working more with the technical side of the Agency. I did not have a really full perspective on what we were doing in terms of balance of payment support to Indonesia. But, we were certainly one of the major donors and PL480 food assistance was a large part of the stabilization package, and at that time we were providing very low interest loans, about 3% as I recall. We were providing development loans. As I recall it was putting together a development package of PL480, development loans and I do not think we had program grants or loans at that time.

Q: What sectors were you personally involved with or most familiar with?

CHETWYN: I worked primarily in the Agricultural and Educational Sectors and a little bit in the Transportation Sector. Interestingly, in the Transportation Sector we had projects that we would never consider today.

Q: Let's take Education.

CHETWYN: Okay. In Education, we had an advisor for basic education, Hal Hall, and he had programs like expert programs, English translation programs. In higher education the idea was to build centers of excellence. That was a big focus in AID programs at that time. So we would take a faculty, like the Faculty of Agriculture at Bogor and we would train them up so that they were capable of granting Masters programs and ultimately Ph.D. programs. We built up their research capacity; we built up their outreach capacity; and we worked with their extension services. There were a lot of U.S. professors up in Bogor working with...

Q: Land grant university programs?

CHETWYN: Yes. I think it was...Kentucky, was working with Bogor, with the Agriculture faculty at Bogor. We sent literally hundreds of Indonesians to the U.S. I remember an Indonesian Doctor friend of ours, Mugi Ali Basa, who went on to become Indonesian Ambassador to the United Nations. Mugi was a medical doctor, and I remember that he was the 2,000th participant of the U.S. and Indonesia. That was back in the early days. We were sending 1,000s of Indonesians to the U.S.

Q: In all fields?

CHETWYN: Not in all fields, but the fields that we were working in which included Agriculture, Transportation, Education, Medicine and Health.

Q: Other programs in Education?

CHETWYN: We were working with the medical faculty at the University of Jakarta. I think the two big education efforts that we had were medicine and agriculture, however we also had a public administration program. The University of Indiana had the contract in public administration and we were working with several of the key institutes of public administration in the country.

Q: The medical program. Was that public health or was that traditional medicine?

CHETWYN: The medical program was traditional medicine. It was building up a faculty of medicine. It had several incarnations in Indonesia. The first was April 1963 to April 1965. My first experience as an AID Overseas Foreign Service Employee was to help close down the Mission. Ultimately the Sukarno diatribe became too much even for Ambassador Jones to countenance. I am sure that he did not make the decision, the decision was made in Washington but ultimately Sukarno got up in one of his famous speeches and said, because he thought that we were demanding too much, he said, "Go to hell with your aid!" And that was what brought the curtain down of the foreign aid to Indonesia. We actually said, "Okay, we are leaving." It became intolerable really even to operate. For example, they would not allow the participants to come to the U.S. They froze the participant program. They were doing everything they could to confront not only Malaysia, but also the U.S. Foreign Aid Program. So ultimately we pulled out.

Q: Was this in 1965?

CHETWYN: Yes: April of 1965. A few people stayed on after we left to do the final packaging of files and boxes. I remember, even in April one of my jobs was to manage the trips of a truck back and forth to the warehouse because we were literally putting the AID mission in boxes and putting it in a warehouse. We were closing down.

Q: And all those big university projects and the others? They were just?

CHETWYN: They we just dropped. We just closed down. Everybody went home. It was a tragedy in one sense, but it was probably the smart thing to do politically.

Q: Did we leave any benefits from our programs with those institutions then?

CHETWYN: I think that is one of the great virtues of manpower development...of person power development. Shows how old I am...of human resources development and that is the effects of coming to the U.S. and getting a Masters program or what have you really endured. I have often said that we could have done a bang-up job on development, had we done nothing but put all of our resources into education. I think we could have avoided a lot of mistakes. It would have been a very single minded program, but I think the results would have been certainly as good if not better than what we had achieved.

Q: ...With the other programs that you were involved in, what about family planning?

CHETWYN: That was in a second incarnation in Indonesia.

Q: You went back again?

CHETWYN: I did. In September of 1965 you had the uprising led by General Sukarno. He overthrew; it was basically a coup. So we moved out in April and the coup came in September. It was not a bad thing that we were not there.

Q: That was a very bloody coup, wasn't it?

CHETWYN: It was a very bloody coup, about a half a million Indonesians were killed. It was reminiscent of the kind of thing going on in Bosnia and Yugoslavia today. It was basically, the Muslims going, what they call in Indonesia, "a muck." Slaughtering people who they thought to be communists. The half million people who were killed were allegedly communists. It was an inhuman slaughter.

Q: So, you went back to Indonesia.

CHETWYN: Yes. I had gone out to Korea. Cal Coles was brought back to Indonesia, and he called me in Korea and asked me to come back and help him reestablish the U.S. Foreign Aid Program because the determination was made that the new government was making all the right moves and that we should reestablish the AID program. I guess I was called upon because, first of all Cal and I got along real well and secondly I spoke the language and knew a bit about the country.

Q: When did you go back?

CHETWYN: This was in 1967.

Q: That's when we started the program again?

CHETWYN: We tried to start the program.

Q: Oh, I see.

CHETWYN: We worked very hard at it, Cal and I and concluded that the Indonesians simply found the old bilateral agreement that had been written on the battleship Brenville after World War II, was just too colonial in nature. Not directly after World War II, it was part of the deal for the removal of the Dutch. We wrote a bilateral agreement that was greatly tainted with colonial-type language.

Q: In what way?

CHETWYN: It is a long time ago and I have not gone back to reread that agreement. It was in the kinds of quid pro quo that the Indonesians had to make for absolutely everything that they received be reason of assistance. And they found it demeaning. So we told the Ambassador, who was Ambassador Green, Marshall Green, that we were absolutely certain that the Indonesians would not agree to a new AID program under the bilateral agreement. That the U.S. would have to renegotiate the bilateral agreement and bring it up to a more modern terms in order to get the Indonesians to actually accept the foreign aid program. So, that is in fact what happened.

Q: What did you do?

CHETWYN: I went back to Korea. The Ambassador negotiated the agreement; I am sure with help from the State Department.

Q: But you did not stay in Indonesia?

CHETWYN: No, I did not. I went back to Korea.

Q: But what kind of program did you start up again? Or start...

CHETWYN: That is another part of the story because I did ultimately return to Indonesia. After the new bilateral agreement had been negotiated, I was called back to Indonesia and it was toward the end of my two years in Korea.

Q: What year was this that you were called back?

CHETWYN: Three years in Korea. So it was 1968 that I returned to Indonesia. It must have been around January or February of 1968, because it was a special six-month assignment to help get the U.S. Foreign AID Program restarted in Indonesia.

Q: What was your position when you went back?

CHETWYN: It was a very funny position because all there was a Program Office. I was sort of the technical branch of the Mission. There were only three of us initially, three or four of us. The Mission Director who was charged with coming up with a new AID program for Indonesia was Stokes Talbert who was, I think had come from one of the major foundations...Ford Foundation...and he was very high-powered in the area of commerce and economics, an impressive manager type. My job was to get a toe-hold in the technical assistance arena for a year or so. Cal and I had been trying to start programs in family planning and in education. Those were the areas in which we focused.

Q: How did you decide that those were the areas to focus on?

CHETWYN: I think it was because education was very non-controversial and family planning was as controversial in the U.S. as it was in Indonesia at that time. You could not mention the words condoms or IUDs or anything like that. We could work on it through the private and voluntary organizations. We did have a government program. We were working with the Indonesian Planned Parenthood Association. I remember Madin Juarty was the head of that program. She was quite a dynamic individual. A very courageous individual too because there was not overwhelming consensus within the Islamic hierarchy there that Indonesia should have a family planning program, even if only private. Private voluntary. The two programs, family planning and education and I was the one responsible for them. It was principally a Program Office kind of job because the idea was to negotiate a program, develop project agreements and set and train the mechanisms for having a program.

Q: How did you go about getting the family planning program going?

CHETWYN: Well, first of all I worked closely with the Ford Foundation. The Ford Foundation was working also with the International Planned Parenthood Association. There was a doctor working in the Ford Foundation who had a very good reputation and I got very close to him because I certainly did not have the technical expertise on this side, but I did know how to move papers. That was one of the keys here. Brooks Rider, that was the name of the MD I worked with in the Ford foundation. The objective was to nationalize the family planning program. In other words to move it; it was essentially an urban program, to move it out into the rural areas, to move it out into the smaller towns and to give it wide coverage. The only way to do that was to get it into the public health service of the country. We had to somehow move that program into the Ministry of Health. The major obstacle there was the Muslim opposition to it. We contacted Egypt, which had made some break-through in this area and invited some people from Egypt to come to Indonesia and talk with the Muslim hierarchy there. They convinced the Muslim leaders of Indonesia that life actually begins; the soul is implanted in the third trimester, which was an enabling decision for family planning. It enabled the Ministry of Health to take on this project by preventing conception through prophylactics, condoms and IUDs and so on, you would never get into the trimester. It was only after the trimester that the ...they certainly might have gone around with their boyfriends for a trimester. This was a major philosophical and religious breakthrough for Indonesia. So once that had been accomplished we were able to begin negotiating with the Ministry of Health.

I remember, because I only had six months to get it all done, I remember developing a very good relationship with the doctor in the Ministry of Health who was assigned to work with us on this program. We had late night sessions in my living room hammering out elements of the program, etc. and eventually coming up with a project agreement that called for the incorporation of the family planning program into the Maternal Child Health Service or Public Health Service of the Ministry of Health. They had branches all over the country.

Q: So they had a reasonably effective health system in the country?

CHETWYN: They had a very extensive health system. It was not very well stocked, it was not very well equipped and, of course, part of the program that we developed included the gradual outreach of the family planning program. The idea was to first get well-established in the cities and then to begin an outreach program to the rural areas. And, of course, at that time, most of the population of Indonesia, probably 70-80%, was rural. We worked very closely with the Ford Foundation and also ultimately bringing in and working with the other donors.

Q: What kind of systems did you provide? What were the funds spent on?

CHETWYN: Actually, I left Indonesia after we signed the project agreement. I had six months to get in and work out all of these agreements in getting the program from the private sector to the public sector, get the program signed and then... The program went on to become one of the USAID's award-winning programs. They had a hugely talented doctor, and shame on me for not remembering his name.

Q: The American?

CHETWYN: Yes, USAID family planning doctor who went on to make that program probably one of the best family planning programs in the world. He won all kinds of awards inside and outside of the Agency. My small role in that was to move it into the public health sector and he certainly took it from there and ran with it. I do not know what he did. But whatever he did it was well documented.

Q: You got the ball rolling anyway.

CHETWYN: We got the ball rolling. That was basically my last...the reason why I don't know more about what went on is because I went on to other things.

Q: What about the education area? Did you work on that too?

CHETWYN: It was the same scenario with the education area. A really bright fellow from the Ministry of Education, in my living room, we'd drink iced tea together and hammer out these agreements and what we got done was an English language textbook translation program and a text book development program. That was the entering wedge of our new program.

Q: Your job must have been based on some sort of project documents that you had prepared before that. Was Washington in agreement or not?.

CHETWYN: Well yes, we developed project papers. Back in those days, as I recall, the project...you didn't do a project paper at least in this instance. We were able to lead right into a project agreement. The project agreement was a very all-inclusive document, which contained the background of the project, the commitment to other parties, the design of the project and it was all there. It was signed by both governments and you were off and running.

Q: So that's the end of your Indonesia experience...?

CHETWYN: That was the end of my Indonesia sojourn. As I recall, I think we just had a special dispensation in Indonesia to work very quickly. In Korea, I was certainly involved in project papers and that sort of thing. It was very exciting and if I could just say one more thing about Indonesia. I mentioned that I had not finished my Masters' Thesis when I went to AID. I ended up scrapping the topic that I had proposed initially and was handed, by the outgoing Economic Advisor, the entire file cabinet of all of the papers he had collected on the Indonesian stabilization effect in 1963. I did my dissertation on the stabilization program...and it was a full stabilization program. The DAC and U.S. and other western European countries were hell-bent on getting Indonesia to accept the terms of the stabilization program. They were working with the Berkeley Mafia...what we called the Berkeley Mafia, who were the Berkeley trained economists and finance staff and other ministries. Wojoyo was one of them. We totally, I think, lost track of what was going on the political and military front.

My dissertation was "The Indonesia Stabilization Attempt of 1963-1965" and it tracked the parallel development of the stabilization attempt on one side and the confrontation of Malaysia on the other. These two programs were going in lock-stepped. We were tuned into the stabilization activities and operating at the technical level. And we were tuned in to the confrontation in Malaysia, I suppose on the political front, but there was not a bridge there. We were foolish to accept these commitments on the stabilization front because look what's happening to the budget over here on the military front, look what's happening in the political arena. Eventually what happened was that the confrontation in Malaysia just simply over-powered the stabilization program.

I believe had if there been less rose-colored glasses overwhelming desire to succeed on the economic stabilization front, we would have seen the dangers that were right there in front of our noses on the economic stabilization front. I was very pleased to note that the White House team that went back and studied whether or not we were going to go back to Indonesia with an AID program read my thesis and made a number of references to it. It made me feel like it was worthwhile.

Q: Anything more on your thesis. That sounds interesting on how it was picked up by the government, the U.S. government and so on. What was the message that they got from your thesis?

CHETWYN: The message that they got was that in order for the economics to be right, the politics have to be right. That was certainly the message that I ... that was the lesson that came out of that analysis of tracking the confrontation in Malaysia and the stabilization program over time and major events. It was just amazing that we would have significant events occur in the confrontation with Malaysia and the military build-up and the further concessions to the communist party. Balancing the communist party that was becoming a major force in Indonesia against the military. Part of this balancing act was making major concessions to the communist party. They were giving the military the confrontation in Malaysia and giving the political party concessions at the same time that we were talking with the Ministry of Finance and so on and getting...with all the right things being said. In fact, they were saying things that they really could never actually expect to deliver on because of the commitments that were being made on the military and political front. I did a matrix-like chart that followed the flow of events over the two years and showed how the two were in great conflict. Many people have discovered that unless the politics are right, you can't get the economics right since that time, I'm sure.

Q: In the times when the fear of communists was prevalent, why one didn't give much latitude to the political side.

CHETWYN: We were desperate to achieve this economic stabilization. Had I been at a senior level at that time I probably would have understood what was driving this, but when you look back, Monday morning quarter backing, you see that we were being lead down a guided path, in effect by Sukarno.

Q: I see. And the failure? When did it occur? When did it become evident that he was failing? That was after your time I guess.

CHETWYN: The stabilization program was failing. Of course, one of the reasons that we were so desperate to have this stabilization program is that you did have run away inflation; such that we were approaching that of Germany and China after World War II at 2,000%. But it seems to me that Sukarno's public statements became more and more strident and eventually with, "go to hell with your aid", the whole thing collapsed.

Q: Did you traveled around Indonesia a lot. How did you find traveling in the country to travel and the people to work with?

CHETWYN: The Indonesians, a lot of the people, are so easy going. Until something snaps as what happened in the coup and the aftermath of that, there was this certain characteristic of the Malay people that they call "running a muck". And that's when the meanness comes out, but that's a very rare occasion. The Indonesian people are just very easy going, it's almost a "manana" culture, typical of so many Asian societies in those days. I haven't been back to Asia for a long time now. They were very non-confrontational, wanted to tell you what you wanted to hear and would go about and do what they intended to do.

I remember one of the first things I was sent out on shortly after I arrived in Indonesia, because I spoke the language and because I didn't know any better, I guess, I was asked by Cal Coles to go off to what was then Borneo and what is now Kalimantan all by myself and try to determine whether the Indonesians really were hoarding rubber. Rubber was just not coming onto the market and the prices were going up and up and up. So I went to two major cities there, two major rubber trading posts, Banjarmasin and Pontianak and just wound up searching out the rubber warehouses and trying to gain my entry and trying to take stock of what stock they had and whether it was...you know tried to quantify it and produce a report for AID which suggested that yes indeed they were hoarding rubber and not letting it onto the market because the prices were going up. And they were able to help the prices to go up and it was in their best interest to make the prices go up and they did. I saw plenty of physical evidence of it.

Q: They had a single marketing arrangement for controlling rubber marketing?

CHETWYN: You know, this may be sort of a commentary on the sort of organization we were then, but I don't know whether they had a marketing board. I was told to go to Kalimantan to Borneo, to find out whether the Indonesians were hoarding rubber. A lot of the trades people there were Chinese: the people who were wholesaling the rubber. But it was kind of a swashbuckling assignment of a green kid who didn't know much. It was a great education.

Q: Any other experiences traveling around the country?

CHETWYN: Yes. I remember traveling to the Togobatak country up there in northern Sumatra with Bill Ellis because we were trying to figure out what to do next in education. We had developed pretty substantially the medical faculty there in Jakarta and the agricultural faculty at Bogor. The idea was then to create, to call these the mother institutions and to create outreach centers so that the University of Venison and Medan would be serviced by the faculty at Jakarta and be upgraded. The idea was to see what the potential was for that and how it might be done and how expensive that type of a program might be.

Q: Anything more on Indonesia that you want to mention at this point?

CHETWYN: When Bill Ellis went to Brazil as Mission Director there was a program that AID had, you'll remember, called "Operation Tycoon". Where they brought in people who were business executives in the private sector. Ed Fox was the next Mission Director in Indonesia and Ed was the nicest guy you could want to know. We all had our theories on what would get Indonesia going, but Ed's was the private sector. He spent, really, most of his time there trying to foster development in the private sector, particularly in the area of agriculture and agriculture processing and agro-enterprise. I don't think that they had a great deal of effect at the time because Indonesia was just out of the colonial period and had very little experience with enterprise. I bet if he were to go there today he would have a whole lot more receptivity to his private sector ideas than he did at the time. He was so committed that he was not the kind of guy to give up, but I don't think that he really made very many inroads in this area.

But if I can make a general statement, at the end of 30 years with AID, I thought back over what we may have missed. What we may have done differently and the two things that came to me were that we focused primarily on the public sector until very late in the game. If we had a more balanced approach with it, with much more activity in the private sector it would work for the benefit of developing countries and our reputation. The other is local government. I think that we were very heavily focused on national level ministries and national level economic policies, national level economic planning and we largely overlooked the potential of working with the local government sector. And both of those areas are areas that the United States has an overwhelming comparative advantage in and I don't know how we missed that. There may be good reasons for it but I think if we were to go back, those are two areas that we could have gotten started much, much earlier. They're very major parts of our program today of course.

Q: Right. Let's shift to Korea. Because you had been in and out of Korea during this period, but you did spend some time there. What was your role there?

CHETWYN: Actually, I was very fortunate I think in my overseas assignments to work in programs that were different and exciting and with very good people. It may speak to the Agency as a whole. I worked in a Mission that practically everyone I worked with later became a Mission Director while I was still in the Agency. I was called over there by Garnett Zimmerly and I remember Zim was Mission Director over there in the Philippines and tragically lost his life in an airplane accident there. But he was the Assistant Director for Programming in Korea, had come to Indonesia and we had talked so he talked me into coming to Korea. I was full of apprehension about it because I thought it was nothing more than a big PX. That was the reputation that it had. I found Korea to be just and amazingly full developmental experience.

Q: What years were you there?

CHETWYN: From 1965 to 1968. I was there about three years...almost three years. It was April '65 to about February of '68. February, March.

Q: What was your role?

CHETWYN: Again I was in the Program Office, but it was a very special assignment. I was working with a very special guy. We were a two-man shop. It was Princeton Lyman, who later went on to become Ambassador to Nigeria and to South Africa and Under-Secretary of State...Assistant Secretary of State. Princeton and I were responsible for the soft underbelly of the program in Korea. The program in Korea was a huge program. It may have approached a billion dollars, which you can imagine back in 1965, it was a huge amount of money. But, of course, this was the aftermath of an effort into which we poured many, many more millions and billions of dollars into the war effort. It was a very geo-politically and strategic country. I don't think that we felt it was very economically strategic for the United States at that time. I mentioned that at that time Indonesia was being a "manana" country, I guess I would have the characterize Korea as a "catch me if you can" country. Koreans were just always so eager, so full of energy, so full of ideas and so full of determination to overtake Japan in the economic arena. They were driven. There was a certain anger there also at the Japanese because of the half century of colonial rule there. And then there is, of course, their need to...they were propelled also by the desire to get the better of the North Koreans from an economic standpoint. And of course, we were driven by that as well.

Q: Was there anything in the culture that would explain why they did better than other countries? I can understand these other factors that you talked about, but is there anything that some people may have taken, more fatalistic or passive roll in that kind of history?

CHETWYN: Of course, there wasn't very much by way of a religious culture in Korea. There were Buddhists, Shintoists, I think there was a strong underpinning of Confucianism in the country and, of course, there were pockets of Christianity there. Maybe it's the same kind of thing that you find in China; it has its roots in Confucianism and it's the tremendous penchant for education. They drove their children to a fault to succeed in education, to go on to higher education. Education played a major part in that culture, as it did in China and Japan. I don't know what the roots of Confucianism are that manifest themselves in this tremendous drive to succeed on the education front, but that certainly was my observation.

Q: What was the situation in Korea when you were there? Politically? Economically?

CHETWYN: It was a very poor country. The political leader was Park Jung Hee. He was the president at that time. He was far from the type of democratic leader that we would have hoped for. Sigmund Rhee had been the president before Park Jung Hee. Park Jung Hee came out of the military tradition, but he was very two-fisted and hard-nosed when it came to economics and I think we liked that about the man. I remember having arguments with Princeton on this very point, as to whether Park Jung Hee was really an okay guy because he was really getting everything right from the economic standpoint, or whether he was seriously flawed because he was far from icon of democracy that we would have hoped for at that time in Korea.

Politics in Korea was...it was a really poor country. The focus was on getting enough food and the basics of life. Park Jung Hee showed that he was up to the task and he was producing for the people on the economic front. A lot that he lacked on the political side was certainly forgiven. Besides, I don't think that the Korean people were very sophisticated from a democratic standpoint. They had had 50 years of Japanese colonialism, then they had the war, then a revered national leader who didn't have to worry about democracy because he was just a revered national hero and then you had Park Jung Hee coming from the military. The order and precision and economic progress that he brought was just greatly appreciated.

Q: Certainly the period before you were there, that the attitude about Korea was that it was a pretty hopeless situation. It was so poor, so little resources and so on. What was the concept of the situation when you were there? Was it optimistic or was it still having a sort of "basket case" outlook?

CHETWYN: It was optimistic. Joel Bernstein was the Mission Director there and Roger Ernst was the Deputy. Roger was an optimistic fellow and charismatic as well. It would be very hard to get out of bound beat with Roger calling the tune. And of course Joel was so focused, like a laser, on economic reform on economic progress. He found an able and willing counterpart in Chung Hee Young who was the Minister of the country and therefore head of what they called the EPB (Economic Planning Board). To show you the relationship between Korea and America, the Economic Planning Board was a very large organization, had a big seven story building and they right across the plaza and in an identical building was USAID. We were twins. It really was almost a shadow government.

Princeton was deeply involved in the development of the military budget for Korea, keeping it balanced because we were very concerned with issues of stabilization, inflation was still a problem there, but it was coming under control. It was coming under control through tight control. Every year Joel Bernstein and Chung Hee Young would have head-to-head negotiations on every aspect of the Korean budget, tax rates, interest rates and foreign exchange balances. Every aspect of the Korean fiscal and economic picture for the year had to be approved by USAID and, of course, it was approved by negotiations. We came to the table with our model of what the situation should be, the Koreans came to the table with theirs and we would negotiate. That's the way it was. Our one billion plus or minus a year of aid was the leverage, plus our troops in the DMZ and the tremendous impact on the Korean economy of our armed forces in Korea. That's another factor. I don't know how many troops we had at the time, but we now have 50,000. We probably had many more at that time. That was part of the Korean negotiating package. And that is how much of our military expenditures would be expended in Korea as opposed to buying things offshore; after awhile, the Koreans started to negotiate furnishing supplies for the war effort in Vietnam.

Q: What were you working on?

CHETWYN: I was helping Princeton to develop what we called then the "soft underbelly" of the program there. We had a massive program in capital improvement. A massive program in agriculture...we had agricultural agents in at least twelve different locations throughout the country and each one of those had a big office and program. We had a very large police and public safety program. We had a very large health program, very large education program. We were big basically in all of the traditional sectors and we had a very large and powerful economics office, which tracked all of the economic indicators in a country with a very expensive training program. Again thousands of Koreans were trained in the U.S. It was a massive program.

New programs were started in Princeton and my little shop. Let me think of some of the things that we started. First of all, we got the family planning program going there. We had not had a family planning program in Korea. We were restrained by our own countries political problems with working in the family planning sector, but eventually we were able to get the family planning program up and running within the maternal and child health service in Korea.

To focus on the family planning program, we couldn't work in the area of contraceptives.

Q: Was this a U.S. position or a Korean position?

CHETWYN: U.S. position. This was back in the mid-60s and we hadn't come of age in the family planning area. It was seem as an important program area, but we were really constrained by Congress in terms of what we could do. We didn't have much of a license. The way we got things up and running in Korea was to first look at their general health program. We discovered that there was a very hail and hardy maternal and child health program within the Ministry of Health. Offices all the way down into what we call the county level in Korea. The Ministry was headed by a very dynamic fellow, Dr. Lee. That doesn't mean much in the Korean context, but I can't think of his full name right now. He was a dream to work with, he was modern in his thinking, he was dynamic, he was a people person, so he could get his people to pick up on his ideas. We finally came up with a scheme of equipping the maternal child health service with vehicles that could do IUD insertions. That was the chosen approach of the Korean family planning program. We couldn't do IUDs at that time and so we gave them the platform for delivering IUDs without ever mentioning IUDs, per se. We got 50-army surplus three-quarter ton trucks in Japan and had them fully outfitted to be mobile maternal health clinics and spread these around the country in strategic areas. This was really the beginning of what became a very successful USAID program.

Q: Were we working on other aspects of education?

CHETWYN: Yes, we were working on KAP - knowledge, attitude and practice - surveys and education programs. But it was through the maternal and child health services and through the meeting of the maternal and child health extension workers with the mothers out there in the rural areas that got this program going.

Q: They already had an extensive maternal and child health program?

CHETWYN: They did. The basic infrastructure was there.

Q: Were we supporting that as well?

CHETWYN: Through our health program, I don't think so. I don't think that we were heavily involved in maternal and child health. To tell you the truth, we had a fairly large health program in Korea. You know, working with the development of key hospitals and that kind of thing, but I don't know very much about that program.

Q: What other initiatives were you working on?

CHETWYN: I started something called the... because I was so impressed with my own intern program and so grateful for it, I thought we might do an intern program in Korea. So we got going, and I was the coordinator for it, an intern program that brought promising young students from the universities into the USAID and into our offices in the various provinces. For example, working with our agro-extension agencies and giving them a practical hands on experience. There were two reasons for that, one was, of course, we were still interested in capturing and working with the youth of the countries in which we were operating. The other thing was that the Korean education was a very non-hands-on type of education. It was very different from the American education system where we tend to be a little more pragmatic in our approaches, so it was a very esoteric approach towards education. Once you went through that system, you were not expected to get your hands dirty at all. We wanted to give these kids an opportunity to get their hands dirty from experience. It was a very successful program. It was very popular with the Koreans and I have heard about the expansion of that program.

Q: How many did you start out with?

CHETWYN: We started off with about 15 and it kept going for the two years that I was there.

Q: And they worked within the Mission and out in the field?

CHETWYN: They worked in the technical branches of the Missions and out in the field. I had an intern who we sent out into a little village in the northeastern part of the country where we understood that the fishing industry was in some difficulty. We had him do a study of the fishing industry in that village.

Another area that Princeton and I worked on was the fishing industry. Trying to see whether we could somehow enhance the off-shore fishing program in Korea and bring the Koreans into compliance with various treaties of the high seas. I remember we brought in a high-powered advisory group to look into this with the Koreans. Our job was not to get into an area on a sustained basis; we weren't a technical office. Our idea was to stir the pot. Our mandate was to stir the pot and to get the technical offices to think a little differently about their programs and to incorporate some of these ideas into their operations. I remember at one point we were afraid that the public safety program was going to make a big push in Korea. We didn't think it was the right thing to do, but frankly that was not an element of the program that the Mission Director had much control over. You've probably had that experience. And so, the public safety gurus in the Agency came out, and I wish I could remember the name of this guy. I bet you know him. But a very high-powered guy came out and we had helicopters and went all over the country. My job was to serve...to go around on this mission basically as a spy for the USAID Mission in Korea.

Q: Which was funded out of AID funds though, wasn't it?

CHETWYN: Oh yes. Right.

Q: What was the Public Safety Program doing?

CHETWYN: The Public Safety Program was working on such things as riot control, working on trying to develop better relationships between the police and the community, working on traffic control: the standard kind of things that a police force might do. What we were pushing for was to keep them more focused on things like developing good relationships with the community and better image for the police, and less on sort of hardware oriented...you know arming them to the teeth with riot control items.

Q: Why wouldn't the Mission have any control over this program? Were there other factors in this that were external to AID from the U.S. side?

CHETWYN: You know, I was still pretty young in the Agency, but my perception was that the public safety aspect of the program had a very strong lobby group and that there was some Congressional support. I don't think that we were so much into ear-marking in those days as we are today, but I think that you still had certain sectors of the program that were pushed very hard by certain Congress representatives.

Q: Do you think there were intelligence interests pushing?

CHETWYN: Probably they did. I was not. But I know that Princeton had very close working relationships with the ... what do you call it? The top CIA agent in the country, because there was a need for coordination there. Particularly given that our little office was working on the military budget and working very close with the military.

Another major thing that our office did was to do all of the ground-work for the Korean Institute of Science and Technology. That was principally my baby.

Q: What was that about? What were you trying to do with that? Was there an institute to begin with?

CHETWYN: No. No, there wasn't. As I've said, soft underbelly. We were really concerned with the middle class in Korea. If anyone is going to be on the cutting edge of any kind of political unrest in Korea, it would have been because of a disenchantment of the middle class, whose expectations were well-above their capacity to realize them. So we did a number of things to try to deliver to the middle class things that they weren't getting. We tried to get a housing loan program going. Another part of that problem is that the Korean scientists were very underpaid and not that they would spark political revolution or anything, but the fear there was the brain drain. These people were very highly educated, very smart, and they were going in droves to the United States and other countries. We wanted to staunch that hemorrhage. The White House Science Advisor came out to Korea and it was probably Joel Bernstein who got that going. I don't know exactly what stimulated that decision. But a high-powered team came to Korea led by the Science Advisor and they were very distinguished scientists from a number of fields there. The conclusion of their visit was that Korea had the potential for a highly professional globally recognized sector for scientific excellence. So, that was the beginning of what became the Korean Institute for Science and Technology, or KIST. The Korean Institute of Science and Technology became a very highly endowed going affair, but that was after my time.

Q: So you were working on trying to get it started.

CHETWYN: I was working on the planning stage and the very first thing I did was to sit down with the various parties and with the papers and come out with a perk chart which sort of mapped out the steps that would have to be taken to develop an institute for science and technology and the way in which one step was constrained by another: a typical perk kind of chart. Roger Ernst was given the responsibility and Princeton and I were to do the ground-work.

Q: What was supposed to be the focus of the Institute? What aspects...or?

CHETWYN: It was to develop a significant research capacity in a number of areas of science in Korea... health and medicine, engineering and so on: communications and the various areas of science and to become a center of excellence in science.

Q: Basic research or practical?

CHETWYN: It was basic research: something that would attract the intelligence of the science community and those who were very interested in basic research. And recognize, of course, that they had to be paid much higher salaries and that you had to give them all sorts of incentives like housing, a nice campus, you have to throw in all the perks that our great scientists come to expect.

Q: Were there Koreans that had this type of expertise? To be in something like this?

CHETWYN: Yes. There were many very highly educated Korean scientists but they had no ... they didn't have a salary commensurate with their capabilities, they didn't have research, the hardware, they didn't have the money to do the basic research. And so the idea was that the Korean Institute of Science and Technology would provide all of the above. It would provide exceptional salaries, salaries way above the normal salary levels of a professor. It would provide the equipment; it would provide research money; it would provide a network, be into the networks with scientists all over the world. It was a very ambitious undertaking.

Q: Did it have any education and training role or was it simply research?

CHETWYN: No. It was going to have linkages, substantive linkages with the universities to benefit them and the product of the institute would ultimately influence the nature of curriculum and training programs. But it was not going to have a primary education role in and of itself. Here again, our job was to stir the job and get things going and not to implement.

Q: What was your understanding of how it was going to be funded? Strictly AID funding?

CHETWYN: No. The core of the funding was going to be initially AID, but the idea was that it was going to attract private sector money and from the Korean government and grants from other organizations. One of its functions would be, like any other research institution, was to raise money.

Q: Any other dimensions of your Korean work?

CHETWYN: One of the things that we were trying to keep a finger on was what was happening in the rural areas. How was the modernization effecting life in the villages. Was it affecting life in the villages? Because the nasty story was that Korean's economic miracle was built of the backs of its farmers. A certain part of that was true. There were price controls and so on in the agricultural sector that benefited the rest of the economy and did not benefit the farmers. We did a study; there had been an anthropological study of ten villages in Korea; and we did a follow-up study ten years later to see what changes had transpired. That was the kind of thing that our office worked on.

Q: That was a very stimulating experience for you.

CHETWYN: Yes, it really was a very interesting assignment. We were also working with social scientists. The Koreans tended to be very heavy on the hard sciences and rather neglectful of the social sciences, like political sciences, sociology and so on. So we also worked to try to enhance the role and opportunities for leading social scientists in Korea.

Q: What did you do?

CHETWYN: We gave them grants to write books, grants to put on seminars and workshops and that sort of thing. We even had our own workshops and seminars that we put on collaboratively with them.

It was a very interesting time and of course Princeton was an absolutely brilliant and inspirational guy to work with, as were many of the other people in that Mission. The Mission in Korea...or the program in Korea is seen as being a highly successful one. It really did corner the market on a huge amount of the Agency's financial resources and the Agency's talent. You had ...of course Roger Ernst went on to become Mission Director in a number of other countries; Joel Bernstein went on to create the Science and Technology Bureau in the Agency, which is now the Global Bureau. You had Garnett Zimmerly who went on to become Mission Director in the Philippines and other places. You had Don Cohen who went on to become a Mission Director in Thailand and other places. Princeton Lyman , of course, who went on to become a Mission Director and an Ambassador. John Withers, who went on to become a Mission Director in Ethiopia and then in India. You had Lane Holdcroft, who went on to become one of the Agency's better-known agricultural and technical leaders. Oh gee, just so many people there, who were there while I was there. They were all part of the same team, who went on to do many big things in the Agency.

Q: How did you find living in Korea?

CHETWYN: Living in Korea was a dream. We really had the best of both worlds because we lived on the military base, which after Indonesia was like going back to a suburban neighborhood in Anywhere, USA. We all lived in nice well-build, ranch-style houses with fireplaces, three bedrooms, dining room, living room, kitchen, nice yards. We had the PX, which was like a Sears Roebuck and we had the Commissary, which was like a Giant grocery store. We had a number of movie theaters and pools and that kind of thing. That's on the one hand. On the other hand, Korea was a very accessible country. You could go anywhere in this fascinating country on weekend jaunts and so on. The Koreans were quite friendly although much more standoffish than the Indonesians. I always felt like in Indonesia, you moved into a neighborhood and you actually belonged in that neighborhood. You were expected to take on neighborhood responsibilities and could even become an officer of a civic association, or what have you. Where as in Korea, you were held in a very honorific position by Koreans. They were very nice, but you kind of floated on over society like an oil slick. You were never really able to penetrate.

Q: Were you in any Korean homes?

CHETWYN: Yes, but it was very difficult. We counted it as a rare treat to be invited into a Korean home. Some people really, really worked at it and were successful, but you really did have to work very hard at it. I had the opportunity to go back to Korea 15 years after I left. I left in 1968 and I went back 15 years later on as one of the leaders of CDIEs evaluation...Bob Berg was in charge of the major evaluation series. What did they call that?

Q: Impact Evaluation Series?

CHETWYN: The Impact Evaluation Series. I headed up an Impact Evaluation Study to Korea looking at a water supply system that had been done by, of all people, the Red Cross. The Red Cross had a contract to put in a water supply system.

Q: Community water?

CHETWYN: Yes, community water supply in many locations throughout Korea. We were looking at how well this program succeeded. You could have knocked me over with a feather when I returned to that country. It truly was an economic miracle. The kind of thing that you just hope and pray for in this business. Seoul had been transformed into a mighty modern metropolis with sky scrapers all over the place and a subway system well in the expansion phases, underground shopping malls, I suppose those were also air raid shelters, but they had a massive underground system in the city. When I was there the country had difficulty manufacturing even combat boots for our troops in Vietnam without the heels peeling off because of inferior glue and stitching; now they were manufacturing airplanes, huge tankers, microwave ovens, and television sets. They were manufacturing and marketing effectively everything under the sun. And that's just the enterprise sector. In the rural areas, where we spent a lot of our time, nowhere could you find the mud huts that were everywhere when I was there. The traditional and standard way of building a house in the 60s was mud bricks and a thatched roof. You could not find mud bricks and thatched roofs anywhere in the countryside. In fact, they build a Williamsburg-type of village just as a reminder of how the old villages used to look. The houses were colorful bricks and enameled ceramic tiled roofs, blue, yellow, green, red. The lanes, which were virtually all dirt roads were nowhere to be found. All the roads were paved, with lovely cosmos flowers planted virtually everywhere along the sides of the roads. The villages were very largely supplied by this time with local water supply systems.

Q: What were the results of your evaluation?

CHETWYN: The results of the evaluation were that there was a great deal of success in providing a rural water supply to these villages. The Red Cross had done a good job. In very few instances there were elements of the program, which had not been completed and the Red Cross had terminated its contract before dams were finished or pipelines laid, that kind of thing. There were some minor complaints, but, by and large, it was a successful program.

Q: Any issues related to community management and planning? Systems concerns?

CHETWYN: Yes. What we found that was driving the success was incredible progress in rural development in Korea, was something called the Samul-undon program. Translated as the self-help program. Park, Chung Hee set up an incentive program that was almost militaristic in a way. There were incentives throughout the country. It was all a numbers oriented program. Very much the way AID is today. The provincial governors were in competition to see who would meet their stated economic and other objectives. It was very much a numbers game: how many new school classrooms were constructed; how much of a rollback had there been in health problems; how many IUDs had been inserted. It just went along the whole gauntlet of social and economic indicators.

As I recall there were even some amalgamated indicators, where you took certain key indicators and came up with an index. The governors who were succeeding where really highly praised and the ones who were lagging behind were punished. Punished in this way. And this went all the way down to the village level. There were three levels of success and so a village was moved up to the higher level in terms of roads, classrooms, new housing, etc. and then based on a percentage of its targets that it met or exceeded, it would get into the top tier. As a member of the top tier it would get a larger budget. Then there was the middle tier and the bottom tier. It seemed unfair, if you are an egalitarian-type, but the game was to get yourself out of the bottom tier and into the middle or top tier because unless you did you were going to suffer on the budget front. It went beyond that. Honorary certificates and awards and badges ... it was a very sophisticated system of awards and achievements that drove Korea's rural economic transformation.

Q: Are there some small, interesting insights, experiences or stories that you can tell because of the Korean culture in terms of welcoming visitors? I've heard that it was quite an experience.

CHETWYN: He would probably kill me for telling this story but since he probably doesn't even know me...he'd have to find me first. This is a story about Rud Poats visit to Korea. Now, I mentioned that there were these really high-powered negotiations between Chung Ki Young and the Planning Board, also Deputy Prime Minister and Joel Bernstein (Mission Director). When these negotiations were reaching some kind of a critical point, usually you get a guy like Rud Poats coming out.

Q: He was Deputy administrator?

CHETWYN: He was Assistant Administrator for Asia. The Koreans are famous for their hosting, the Koreans and Japanese. It was not at all unusual for them to put on what they called a kee-sang party, where it was all men and you'd be sitting around a table on the floor, of course, on the tom-mi mats, and everybody would be assigned a kee-sang girl. You wouldn't have waitresses, you'd have kee-sang girls and everybody would be assigned one. The kee-sang girls job would be to keep your glass filled and to feed you and things like that. This was a kee-sang party put on in honor of Rud Poats by the Korean government. The story has it that the kee-sang girl that was assigned to Rud Poats and hadn't spoken a word of English all night and had been behaving the way a kee-sang girl normally does suddenly started massaging his upper leg. I suppose he was in a state of shock. And, as she was doing this she said, "Now Mr. Poats, about the second tranche of that program loan..." A moment of stunned silence and then Chung Kee Young broke out in gales of laughter and said, "That's okay Rud, it was just a joke." Anyway, such is life in the foreign services.

Q: Are there any other experiences in Korea that you want to share?

CHETWYN: Let's see. My batteries are beginning to wear down. I think that the major formative experience for me was that I got to return to Korea after 15 years.

Q: Could you sum up the major factors as to why Korea has done as well as compared to others? Often you know it's compared with Ghana. Ghana you know had a higher capital income, welfare, than Korea back in those early days. How would you some up the Korean story?

CHETWYN: One wonders what might have happened in Korea if we had not come there with our tremendous resources and advice, because they are a determined people. I expect that they would have scratched ahead somehow. I don't like to speculate on that because they were in terrible shape after the war. First of all it's their penchant for education. It was a very literate country. Secondly, you had this drive to overtake the Japanese and they were very competitive with the Japanese. We were there at the right time, with good advice. I mean, who can argue with balancing your budget, building up healthy foreign exchange reserves, getting the interest rates right. Probably we could have accelerated things there even more so had we focused more on local government and private sectors as I mentioned before than we did. Although Korea is one of the countries where we did do more in the private sector. Working on standardization and quality control and building up their tourism industry.

Q: Were you involved in the export business?

CHETWYN: We were. There was a very strong focus on developing export markets in Korea. It was a very successful program. Part of their supplying equipment and materials to our forces in Vietnam was part of that export program.

The other thing that can't be overlooked, of course, is the presence of our military there and the economic impact that that had on the country; and the fact that we were there with about a billion dollars of assistance a year in a relatively small county. And we stayed there. We weren't on again off again. We stayed with a high level of economic support to the country until the job was done.

Q: How long of a period was it?

CHETWYN: We were not there, accept for a small representational office, when I went back 15 years after I left. Let's see. I left in 1968, so about 1982 or 83. So I guess we were there from about 1955 to '85, say.

Q: That was the close-out? '85?

CHETWYN: So.

Q: Thirty years.

CHETWYN: Right.

Q: Some people I have known made comments which suggest that the AID program really wasn't that significant in bringing about the Korean Miracle. That foreign assistance really was not a major factor in the country's development. How would you assess that?

CHETWYN: We were fortunate to be working with a highly receptive population, but I really don't see how the Korean's could have recovered this quickly and completely and to become one of the leading economies in Asia, if not in the world, without a lot of really solid economic and fiscal monetary advice and the build up of major receptors of that economy. Like agriculture and technical areas, I mentioned the Korean Institute of Science and Technology, and all of the capital development. We had a very active Capital and Development Office that was helping to rebuild that country.

Q: You mentioned in the case of Indonesia, of course, that the program kept being interrupted and close down and opened up and closed down again. We didn't have in Korea the type of political extremes or reactions that caused us to want to withdraw the program of back off even though they went through some significant political problems, didn't they?

CHETWYN: If a country is strategically important to us, we will damm the torpedoes and go full speed ahead with our development program. And nobody can argue with the strategic-political importance of Korea to our concept of our security.

Q: So there weren't political events that cooled us from staying the course?

CHETWYN: No, in fact I think that most of the political upheaval in Korea came about after we left the country as I recall. The riots in Taegu, for example, I believe occurred if not after we left, indeed towards the end of our program there. It was timely for that to happen. Korea had been a sort of non-democratic country for so long and had been a strong partner of a highly democratic country. There must have been very strong democratic expectations in that country that were being frustrated by Park Chung Hee. Of course Park Chung Hee stayed in power far too long. That always happens, no matter how good they are to begin with, if they stay in power long enough ultimately they will become corrupted. Of course, his successor was far worse, particularly in the corruption.

Q: But in your time there, there wasn't much emphasis on promoting democracy, the law and the sort of thing that we're talking about these days?

CHETWYN: No. There really wasn't. As I said, we were concerned about political stability, but we weren't necessarily out there promoting democracy. At that time we would have been a destabilizing force. We were concerned with keeping the lid on things, helping keep the lid on things because the need was so desperate for an economic recovery in that country. And of course, I don't know what Korea was like before the war. That would be an interesting ... I don't know.

Q: Alright, let's talk a bit about your other perspectives. You mentioned something about human resources development. What are your views on that?

CHETWYN: I can make this very quick, but I feel very strongly about all of these things. One, I think that, and I said this in my farewell speech at AID, mentoring is a hugely important dimension of AID and something that everybody needs to be conscious of. The mentoring role that the senior people have at AID, and I had tremendous mentors, and I'm just very grateful for all of the people like Cal Coles, Princeton Lyman, and Don Zimmerly and Chris Russell, Bill Miner... I mean these were just great mentors; people from whom I benefited tremendously. I tried to do the same in my own operations; to do as effective a job in mentoring as I could.

Secondly, I believe in internships and AID has profited greatly from its internship programs and certainly, I did. Not only from having entered the Agency through an internship program but through the various internship programs that I have been associated with throughout my career at AID and having worked with a number of people who also came into the Agency on internships ... the management intern program, the overseas development program, the overseas intern program, what is it ... IDIs ... the International Development Internship .. .this is a great program.

Thirdly, I think that I certainly benefited from long-term training. It allowed me to make a transition that I was aching to do, and I think that the Agency was benefiting from, and that is to make a transition from the program field to the technical field through long-term training.

Q: How did you benefit from that?

CHETWYN: I got a Ph.D. in economics which allowed me to move over to the technical side of the program. I took one year of training from AID at Duke; AID funded one year of training, and then I got a fellowship for the second year. I took a leave of absence without pay from AID to finish up.

Q: Your Ph.D. was from Duke? And what was your thesis about?

CHETWYN: My thesis was on the relationship between urbanization and economic development. The idea was decentralization and economic development. And, of course, decentralization is something that the Agency was into very heavily now.

Q: But then there wasn't much interest in it. How did you become interested in decentralization?

CHETWYN: It was through my work in Korea. One of the things that I forgot to mention was that we took a very hard look at urbanization and what was going on in the organization in Korea. I just became fascinated with this whole concept with cities and their role in development. So, at Duke I took a minor in sociology and a minor in urban planning, urban economics, and did my dissertation on city size distribution and economic development. Basically, the dissertation didn't prove what I set out to prove, it proved the opposite. Which is okay. I was trying to demonstrate that if you could stimulate the growth and development of different sizes cities in a country and come up with a closer to a rank size distribution of cities, sort of like you have in Germany and the United States and other more advanced countries, that it would, in turn, stimulate economic growth and development. That didn't turn out to be the case. It turned out that it really didn't matter. What the city size distribution of a country is.

Q: Size distribution. What do you mean by the distribution?

CHETWYN: ...that you have so many cities that are, let's say a million or two million population, a larger number that maybe are in the 500,000 category, a larger number in the 100,000 category. So when you draw a line through a plot on log paper of all those you get a straight line. Developing countries tended to have parabolic curves. If you could pull that curve out and straighten it out... but that proved not to be the case. But nonetheless, it was what resulted in my next phase, which I hope to talk to you about later on, which was to come in and staff, half of the staff of the urban development staff and the technical assistance bureau, which had the assignment of developing a policy and program for the Agency in urban development. Joel Bernstein felt it was one of the major new coming things in economic development, around the corner.

Q: We'll come back to that. Any more on the human resource sector?

CHETWYN: Yes, one more thing and I bet you agree with me on this statement. And that is I think that the senior management course is one of the best things that AID invested in.

Q: Which course was this?

CHETWYN: That was the course that was run by the Training Resources Group - TRG - over in Alexandria, where you had Office Directors and Mission Directors and so on. The senior people in the Agency were given two weeks of training. We'd go off site together and in addition to all that you learned, in terms of how to be a better manager and how to get better production out of people, how to communicate more effectively, up and down, there was a lot of bonding that went on. Did you ever take any...?

Q: No, I never took the course.

CHETWYN: It was great. A lot of bonding went on between. That's right, you were already at too high a level when that started. But just many Mission Directors and Office Directors got to know each other as people. And got to appreciate each other and came together in the follow-up courses. There would be a one-day or two-day refresher course and so your networks expanded and you had this common experience that... but the Agency has largely given up on that and I think it's a shame.

Q: What is it you were learning, actually, from that course? Apart from the bonding?

CHETWYN: First of all you learn about yourself. You learn what kind of a manager you are and you learn how people react to certain management styles. You learn how to build on your strengths and try to diminish the effect of your weaknesses. You learn how to operate under stressful conditions, how to handle difficult personnel situations. You know, disruptive employees.

Q: Less about development, but more on how to be a better manager?

CHETWYN: Yes, it was all on how to be a better manager. It brought you up to speed with the latest concepts in management theory, which is something that you really don't have a chance to step into once you're on that train. The train keeps going.

Q: After your management training program, what happened?

CHETWYN: Actually that was kind of only a sidebar. Because the management training ... The next phase of it was going for a Ph.D. in economics and then coming back and here's where I enter, really a new phase of my career, and that was working for what was then the Technical Assistance Bureau in Washington.

Q: Did you work on your Ph.D. at that time? Or before that?

CHETWYN: Actually, I completed the work for the Ph.D. on an AID sponsored long-term training program. I think I mentioned this in the last tape.

Q: I think you did.

CHETWYN: I concentrated on urban and regional economic issues, both in the studies and in he dissertation. Joel Bernstein was then the head of the Technical Assistance Bureau. In fact, he created the Bureau. He felt that there ought to be some sort of technical and research arm in the Agency. They bought that idea and he headed the Bureau. One of the things that he felt very strongly was that urban development was going to be the next big development issue around the corner. He put Sam Butterfield in charge of that. You probably remember Sam, he was big in the Africa Bureau.

Q: Yes, we have an interview with him.

CHETWYN: Sam was responsible for developing this area of urban development for Joel Bernstein in the Technical Assistance Bureau. He hired Bill Miner to head up the operation and me to be Bill's deputy. By the way, Bill would be a good interview.

Q: Yea, I've been trying to reach him.

CHETWYN: Oh really? I'll get after him. So, Sam hired Bill and me to head up this effort in the Agency. It was a great opportunity, truly a great opportunity. Joel basically gave us carte blanche to develop a policy and program for the Agency in urban development. It was going to be relatively new and so we worked out a very painstaking effort to get the best thinking of the United States urban experts and the practitioners overseas to be a part of the whole effort. We organized a series of workshops around the country, involving the best and the brightest of the urban development specialists. We had one in Chicago, one in California, one in New York, one in Washington. We visited 19 countries in Africa, Asia and Latin America. In all, picked the brains of about 500 people in coming up with a policy and program for the Agency in urban development. We produced a monograph called Focus on Urban Development: Perceptions, Problems, Programs and Needs: A Potential Role for U.S. Foreign Assistance. That was a product of what was then called the Urban Development Staff in the Technical Assistance Bureau. We were essentially given the responsibility for researching the topic.

Q: What were some of the main themes of this strategy?

CHETWYN: We looked at about nine different areas of potential activity in the urban field and we came up with basically three. One was perceptions in leadership, second was manpower and the third was information. So, you can see we were sort of dancing around this issue in a way because we felt that the developing countries were not ready in this area and we were not ready to push a full-blown program. What we meant by perceptions in leadership, was first of all we determined that leadership was absolutely critical: the ability of mayors and ministers responsible for this area in their countries. We felt that there was a great lack of understanding of the role and function of urban development and national development. So, we felt that a great deal of work had to be done to enhance the knowledge and understanding of these people in the whole problem area of urban and regional development. Manpower, we found that the manpower needed for effective urban development was really very, very thin in developing countries and needed to be boosted. And information, of course, was the essence of it all. There were a lot of areas in which our knowledge was very scant and so we felt that we had to do a lot of work in generating information in our own understanding of these areas as an Agency. So those were the three areas that we settled on from the nine we looked at.

You wanted to know how we selected these three areas out of the nine. Incidentally, the nine are perceptions in leadership, national policy, legal framework, institutions, manpower, information and planning, financial resources, and finally administrative capacity. Those were the areas that were highlighted, underscored again and again in all of our interviews and workshops. The problem was, you can't come up with a policy for the Agency which focuses on nine different areas. It would be too broad. So, we did an analysis in which we looked at how these nine areas interplayed, that is the extent to which, let's say, legal framework depended upon information, perceptions in leadership, manpower, finance, etc. and we found that in working through this kind of interactive analysis, that three areas were more dependant on the other nine. Those three areas were perception in leadership, information and manpower. So that's how we came to that decision.

Q: What happened to the policy?

CHETWYN: The policy was vetted with all of the regional bureaus and with the field Missions by cable. We made copies of this monograph, which I just mentioned, which explained everything.

Q: Did the policy define what areas we should be providing assistance in?

CHETWYN: Yea, the policy defined the areas. In fact, back in June 15th of 1973, the Administrator signed a document called Guidance Statement on Urban Development, which was meant to guide the Agency in this area. It was a fairly, I guess I would say, watered down version of what we had started out with, and I'll tell you why that is. Just about the time that we were ready to come up with a bold program of urban development policies and strategies for the Agency, Congress pulled the plug on the AID program.

Q: This is what year that we are talking about?

CHETWYN: This was about 1973. It was in that year, if I recall correctly, that Congress said that you will work on the problems of the urban poor. Up to that time, the Agency had been highly sectoral in its orientation. We were very heavily involved in capital development and capital assistance kind of work. In fact, we did an analysis of that as a part of our preparation for the Agency's policy in urban development. It was pretty clear that Congress was not happy, not pleased with the impact that our programs were having on countries. In other words, the money kept pouring in and the poverty continued to grow. That was the beginning of a major error, I guess, in the Agency's history, in which the focus was on poverty.

Q: This was a "new direction" legislation?

CHETWYN: In the urban area, well the urban area was deeply impacted by that policy, because the Agency chose to interpret the poor majority, which Congress was insisting that we focus on, as meaning the rural poor. The notion was that the poor in the cities had voted with their feet and they had come to the cities and they were probably better off in the place they had left behind in the country-side. The Agency moved in the direction of focusing its programs on rural development. Thus came, programs like integrated rural development, decentralization, etc. We had to basically go back to the drawing board with our policy and come up with a policy and program that was in line with this new focus on the part of the Congress.

The new guidance statement talked about our need for monitoring urban development, for developing more information in this field, for looking for opportunities to work in cities and agencies where the Agency was already active, like health and population and education; and to introduce the urban element into our rural and agricultural network. So the program that we came up with in the Technical Assistance Bureau, which was essentially a research and development effort, had elements that you'll see reflected that the "New Directions" for the Agency. Things like urban functions in rural development, that is the role of market towns and regional service centers in agricultural and rural development; secondary cities and rural development. So we were looking at secondary cities as growth centers that would enhance and stimulate the development of rural regions. We did do some work on land use programming. One of the areas that we thought was critical to the growth and development of secondary cities was land use programs, because land and its use was very critical to all of the decisions that the city made in terms of its development. So we had a research and development program in land use development in secondary cities.

Q: Were you at this time, involved in the issue that some people thought that promoting rural development would stem the flow of people to urban areas?

CHETWYN: That was one of the elements of the policy. That's right. And to this day, I don't know whether that was a valid assumption on our part or not.

Q: What was your view?

CHETWYN: At the time I was a very strong advocate of that notion. That development of the market towns and secondary centers would stem the flow of migration to the large cities. Research seemed to suggest that that was not the case. That people would come to the bright lights no matter what you do. I think that that has certainly been played out in the way that population has flowed in developing countries. Today we're dealing with multiple mega cities.

Q: Did your research determine why that seems to be the case, even though conditions in these urban areas were pretty atrocious.

CHETWYN: The major element seemed to be economic opportunity. People perceived that there were economic opportunities in the city. And there obviously was a wage differential between rural areas and farming work and the kind of wage you could command in the cities, even in the lower echelon occupations. Recognizing that, we did something that I think is pretty exciting and has proven to be, even today, a main plank of the agencies platform. We held one of our regional conferences, one we held in Washington, we invited speakers. John Freedman from the University of Southern California came and made a presentation on manpower. It was a paper, Informal Small- Scale Enterprise Sector of the Urban Economy: Problems and Suggested Approaches. It was prepared for the Agency of International Development, Office of Urban Development, under contract, January 26, 1976. That proved to be a very exciting paper, because he was suggesting that there was an informal sector of the urban economy that is unregulated and that is growing substantially, but is capable of growing even more dramatically and absorbing a great deal of the unemployed, and of the rural migration, and providing economic opportunities for these people. This paper led us to begin the project that we called, I can't remember the exact name for it, but it was a small enterprise project: Small and Micro-Enterprise project. We developed a draft of the project paper and decided that we needed an expert in this area and searched around and found one Michael Farbman, who was an American professor who was teaching at the University of Glasgow in Scotland. We brought Mike into the Agency and set him up as our man to head up this area of micro-enterprise development.

Q: This was in the 1970s?

CHETWYN: This was in 1977. It took us about a year after John Friedman delivered this paper to convert it into a project in a whole area. And just for the record, that project became a division. Once we became an office-I think that happened in about 1978-that initiative became a division within the office headed up by Mike. Ultimately, it became an office on its own within the Agency. I know from my consulting overseas now that the micro-enterprise is still one of the major initiatives of the Agency. Congress is very keen on it.

Q: What was the Friedman view or strategy? And what did he say or mean by micro-enterprise?

CHETWYN: Basically, he meant informal little economic activities of ten employees or fewer who were not licensed, not regulated, basically a totally informal sector. As a matter of fact, there was a steady trend in Latin American by a very prominent lawyer and I think he was Peruvian.

Q: Desoto?

CHETWYN: Yes, Hernando Desoto. He concluded that the informal sector was basically the only way for the small-scale sector to grow because the regulated sector was so bureaucratic that people had to jump through all kinds of hoops and take a lot of money and a lot of time, a year or more, to get oneself licensed and set up properly. He was busy trying to lighten the bureaucratic load for small enterprise, but at the same time he was promoting and fostering the development of the informal sector.

Q: What was the program strategy? How do you help the informal sector?

CHETWYN: Well, the first project was called PISEES.

Q: What's that stand for?

CHETWYN: I don't know. Program for the informal sector of something or other. I mean it's interesting because I would ask people, "What does PISEES stand for?" And it did stand for something at one time, but it became a kind of...

Q: A word of its own.

CHETWYN: Yea. An icon. PISEES became an icon. First of all, they did several areas of research, it was kind of like an umbrella type of project which did research work; it did pilot demonstration work. We did some research with David McClelland of Harvard. He had this achievement theory, in which he felt you could train people to be entrepreneurs. Our research suggested that that wasn't necessarily a viable concept. Entrepreneurs seemed to be born, not raised. But you could assist small industry into helping them with bookkeeping, helping them to gain access to credit and to that extent we have followed to some extent the work of the Grameen Bank in Bangladesh as a model. But not exclusively, because it was our feeling that the Grameen Bank was a viable model in countries that had similar circumstances to those in Bangladesh, but that didn't work everywhere. It could not be regarded as a cookie cutter. So we took a number of approaches to developing credit for small-scale enterprise. We worked on information dissemination in micro-enterprise. Sharing successes, sharing lessons learned around, producing monographs that we spread around very widely, set up training, marketing was another area. The major areas of our research and development and promotion were in helping with the bookkeeping, helping with the access to credit and coming up with different kinds of credit mechanisms for small-scale enterprise.

Q: What was the scale of the loans you are talking about?

CHETWYN: We're talking about very small loans. The smallest would be in the area of maybe $50.00 and that was always a big issue within this field. There were purists in this field, in micro-enterprise, who felt that the loans really should be in the area of $50.00 to $250.00; and that the scale of enterprise should be very small, three, four or five people. There were others who believed you couldn't move the ball forward very effectively if you kept the program at that low a level. They were arguing that loans should be nearer $10,000.00 for example and they were firms that were 10 - 20 employees. I imagine that these debates were still raging in this field.

Q: So this was a matter of trying to get the greatest impact, the larger scale industries were more likely to have more money and that was one of the economic impacts at that time.

CHETWYN: The underlying idea was growth. You couldn't expect everyone to stay at this level. What do you do with the second or third generation of an enterprise. The purists said that you need to work with the little guys and once they get into a certain element of economic health and readiness, they can take care of themselves. It was pretty clear that they were probably wrong on that score. That you did need to have assistance that was offered to entrepreneurs, very small scale entrepreneurs, but they were prepared to expand to 10 - 15 employees and invest in new capital and expand their operations.

Q: How do you put this into a larger scale program. It may be a nice little project there. But how do you replicate this to give it a broad-base impact?

CHETWYN: That's a good question because it gets into the general underpinnings of what was by that time the Technical Assistance Bureau, and that is that the Technical Assistance Bureau in our office was involved in pilot and demonstration activities, identifying the priorities, trying to incorporate that into Agency policy and doing research that would be pioneering in whatever area we were working on; in that case, urban development. But the same thing was going on in health, education, population and so on. There was research going on to advance the field to identify the areas in which you might have the greatest impact within the agencies programs. Then the idea was to come up with pilot and demonstration programs that you would try to get the USAID Field Missions to take under their wings and make it part of their programs. Then through the evaluation of those programs you would try to disseminate these activities, but the budget was limited always. You relied on a certain amount of take-up by the rest of the Agency. If you didn't have that, it didn't work.

Q: What was the experience?

CHETWYN: I had a good case and point. It's actually one of my favorite projects. It's called Managing Energy and Resources Efficiently. And it was a project that we were able to get going at a time in this country when there were long lines at the gas stations; it was generally perceived to be an energy crisis globally. We came up with a project that addressed that whole issue. The idea was the cities of the developing countries have to develop, they are going to grow. They are going to develop. So why not have them grow along energy and resource subservient lines. If they are going to have a land use plan, why not have that land use plan do the maximum in terms of energy and resource conservation. If they are going to grow energy systems in the city, water systems, why not have them as conserving as possible. Housing. Why not have housing as energy and resource efficient as possible. Because in many of these cities so much of their future growth lay ahead, and the basic, I guess, the direction of growth of these cities was not yet hard-wired as...well, I'm getting ahead of myself.

What we decided to do with this project is not focus on the Bangkoks of this world, but focus on the smaller and secondary of these cities; the idea being that, first of all the Bangkoks were just to big for us to tackle. Secondly, by focusing on secondary cities, you are focusing on cities that may become major cities down the line and if you can get then thinking along energy and conserving lines early enough in development they would evolve into much more efficient cities than the Bangkoks of this world. We developed quite a head of steam in this project and got about a million and a half dollars for it, which was big money in those days. It was the late seventies or early eighties... basically the mid-1980s. We got programs going in the Philippines, Thailand and Portugal. We did this through sending out, and this is the modus operandi for most of our operations. We develop an idea like this, develop it into a viable project and then we would send the messages out to the Field Missions who would negotiate with the Regional Bureaus, see if they would open the doors for us and if they would, we would send a message out to the Missions in that Bureau soliciting entrance. The only two Bureaus to bite on this one were the Asian Bureau and the Bureau that covered Portugal. Must have been the Middle East Bureau. In Africa, they decided that the cities were not ready for this kind of sophisticated approach. In Latin America, the feeling was, and I guess I can go along with this, that in the cities decentralization hadn't reached a point in Latin America where they were willing to make their own decisions about growth and development, it was all controlled, or much of it was controlled through the central ministries. So Asia Bureau and the Middle East Bureau opened up to us.

We developed highly successful pilot and demonstration programs in all three countries. And in all three countries, the program was moved along by the local governments. Thailand used it in some of their rural development programs even. And Portugal, it spread around through one of the regions pilot and demonstration cities to other regions of the country.

Q: What did it involve?

CHETWYN: It involved; it took an interesting approach in this phase. We went into the cities and said, "Look, what we've got is a concept. We don't have a bunch of off the shelf solutions for you. We've done some research on energy and resource conserving approaches in the U.S. and in the world and this is available to us as a resource. But basically, we think that every city has within its own talent a management base with the capacity to come up with its own approach to energy and resource conservation. It's a matter of getting into the right mode of thinking and just using common sense about this issue." So, in each city the mayors were quite delighted with this approach and we set up a committee and we did a lot of brainstorming with this committee, with their experts. We got the Tennessee Valley Authority as the contractor on all this because they had worked a lot with the cities around the TVA region on energy and resource conservation.

In each city we came up with a unique set of programs that would be applied to enhance the energy and resource conservation of the city. A land use plan was key for all of it. It had to have an energy and resource conservation land use plan. Transportation was another key. In all of the cities, we had energy and resource-conserving transportation plans. And beyond that we got into different approaches to making housing more energy and resource conserving. In the Philippines we came up with a local architect through a competition; he came up with a design for a house that had a bio-gas digester in the backyard, fueled by figs and so on, capturing of rain water and storage of rain water. It had alignment to the sun and alignment to the prevailing winds that maximized cooling in that climate. In terms of the building materials themselves, it maximized the use of local building materials. In Portugal, which is a tougher climate, they came up with a very different design. They came up with approaches that would preserve heat, insulation...insulation was not typically used there and so they came up with different insulating materials that they could use in construction of their stone houses. There were systems that we put in to minimize the leakage of the city water systems, save 1,000 and 1,000 of gallons of water. Waste recycling in Thailand, they converted a landfill to a park and golf course. So, there were different approaches in different cities, but the overall package in each city was quite impressive and quite comprehensive.

It can all be picked up on in this publication called, More With Less: Managing Energy and Resource Efficient Cities, which is an assessment evaluation that was published in 1987. It was an assessment and evaluation of the work in the three cities.

By that time the crisis was over. The lines at the gas stations were no longer, Congress was no longer beating the drums on this issue and the Agency, despite our efforts to settle this as an Agency program, never really did sell it. I tried to get Peter Kim to pick it up, in the Office of Housing and they weren't interested. So this is an example of a really good program.

Q: It wasn't picked up by environmental interests?

CHETWYN: Well today, I see elements of this in programs, the World Bank has a lucrative interest in this, but I still feel that this is a program that remains to be sold on a scale that it should have been back in the mid-80s. I think that we would be in a much better position today in energy and resource conservation, if we had picked up on this and made it a part of our programs.

Q: It didn't go beyond these three cities, did it?

CHETWYN: It did go beyond the three cities, but it never went beyond the three countries. In other words, in each country they picked up on it and integrated it into some of their own programs on their own. Which, to us underscored its viability.

Q: Did they have their own institutions pick this up and continue this?

CHETWYN: Yes, yes they did. In Portugal, for example, it was the regional development authorities that picked up on it. In Thailand, it was a major rural development program that was promoting growth of villages, so then they introduced a lot of these energy and resource conserving approaches that came out of the Phuket pilot study.

Q: What happened to the interest in urban development? I gathered that there was concern in the Agency that it never really had the resources or the interest to be involved in that area?

CHETWYN: Well, urban development always seemed to be the initiative that was around the corner and never won the interest of the communists.

Q: Within the Agency?

CHETWYN: Within the Agency, there was grudging support for it. It was a hard sell within the Agency.

Q: Why was there so much resistance?

CHETWYN: I think that there was... and I'd be interested in your ideas on this as well...but I think that there was a sense that the urban poor really did work with their feet and that the real problems were in the rural areas. And I know that that has changed within the Agency now, but for a long, long time, for most of my tenure within the Agency, the major focus seemed to be on rural problems and rural issues. I take that back, after the New Directions, that notion seemed to be pervasive. Another is that the Agency felt somewhat overwhelmed by the urban problem. The problems of the cities were so severe, it seemed that the resources needed to overcome them were so great, that we were really afraid of what we felt might be a Pandora's Box, a bottomless pit. But I think there is another reason that the Agency was not able to, or was unwilling, let's say, to grab a hold of this issue in any kind of significant way, and that is, we really didn't get into decentralization in the local governments until rather late in the game. In fact, I had a conversation with Peter Kim not too long ago in which we agreed that the Agency, if we had it to do all over again, the Agency should have gotten into local government, or pushed harder for the Agency to get into the local government. We were essentially an Agency that dealt with national level administrators. We operated at a national level, which is ironic in a way because we were a federal democracy, we place a great deal of emphasis on states rights and local initiative.

Q: And yet we were still very rural focused there for a while.

CHETWYN: Yes. We were working largely through the Ministry of Agriculture and the national ministries involved in agriculture and rural development. Now, of course, the Agency is much more involved in decentralization and in local government and in all areas.

Q: Wasn't there a project that you were involved in Ghana, northern Ghana, where you used part of the research in secondary cities?

CHETWYN: That's right. And you were there. You were Mission Director and you did pick up on one of our Central Bureau projects and that was Secondary City Growth and Development. We did a survey in Ghana, thanks to your opening the door for that, and identified Tamale, Ghana as a city that had the elements that we were looking for. That was leadership; they had leaders there who were interested in it. They seemed to have some of the manpower in place and were capable in carrying this out. They looked to be a city that had a lot of its growth in front of it. It was a city with economic growth potential and that was essential for this project. It was a city that had a great deal of influence within its region. So, we set up a program in Tamale, in which we brought in an advisor to work with the local leadership and they came up with a land use plan for the city. One of the big issues in the city was the unregulated growth. People would come in and they would put their huts anywhere and so you had a real rag-tag housing situation there, which houses scattered all over the face of the in-migration areas in such a way that it would be very difficult to extend services to these areas. You'd have to put houses in a row so that you could put in a street and put in water and sewer and electricity. One of the elements of this project was to regulate that growth by doing something really simple. And that is building streets. The city didn't have the money to put in the utilities, but they could build those streets. And of course, given the choice of building a house on a street or building it in the woods, the family would build it in the street.

Q: Along the streets, you mean?

CHETWYN: Right. Along either side of the street. But in that way, through very simple technique and approach the city was able to help regulate the growth of in-migration or the settlement of in-migration and ultimately be in a position to provide services to that city.

Q: Did you have a technical assistance team there?

CHETWYN: Yes. We had an advisor there by the name of Earl Brown. Do you remember Earl Brown? And one of the things that we were challenged by: we were told that we would never get an advisor that would be willing to live in Tamale because they wouldn't be able to fit into the local community and the schooling wasn't there, and so on. As it turned out, Earl Brown and his wife fit in beautifully. Earl became a member of the Chamber of Commerce. His wife became a president of the PTA. The kids were on the schools local soccer teams and he was an extremely effective Technical Assistant.

Q: He was a one-person team.

CHETWYN: He was a one-person team in bringing in specialists from time to time.

Q: Any other examples of that in other places come to mind?

CHETWYN: Another of my favorite activities, because I think it was really on the cutting edge, it was in an area that I felt that the...we were really scratching the developing country itch. When I was in Latin America we developed a project called Development Strategies for FragileLands and the idea was, once again, the uplands and the mountain and hill areas of Latin America were being settled in a very rapid rate by a burgeoning population down there. Trees were being cut, land was being tilled, slash and burn, the whole picture that we've all become familiar with. The idea was, you're not going to stop people from doing this, so how can you somehow guide and motivate these people and the leaders down there to settle these areas in a way that was much more conserving of the resources and protective of the down stream areas. So we worked with the Latin America Bureau and essentially developed a joint initiative with the Latin American Bureau on developmental strategies for fragile lands.

I remember there was initially a great deal of resistance, but we brought it down to a meeting of the Agricultural and Rural Development Officers in Mexico and presented it to the officers, and Scott Brown, one of the officers who was working with us and on our side, helped us in getting this thing adopted. We had one of the Agricultural and Rural Development Officers there who was most resistant to the idea chair the meeting. While he was resistant to the idea, he was still a responsible AID professional and as chairman of the meeting, he restrained himself in terms of putting any negative comment into the discourse and did a magnificent job. We developed what was the first ten year project in AID's history. The idea was that we couldn't do this in five years, it had to be a ten year initiative with the option of going on. The project paper actually stated that it was going to be a ten-year program in Latin America.

Q: Was this Latin American wide?

CHETWYN: Latin America wide, yes. Central and South America. That is an example of the Central Technical and Research Bureau at its best.

Q: Were there any particular activities or particular country projects that stand out as the results of that project?

CHETWYN: There probably are, and if you want me to come back I'll do some research on that.

Q: Looking for some examples...well, go on with what your point was.

CHETWYN: I just think that it's an example of Central Bureau or Regional Bureau at its best because we weren't just operating on a single country level or a single demonstration level; it was a joint-effort with papers signed jointly. The Latin America Bureau was putting money in and the Central Bureau putting money in as well as the Missions kicking in money. Actually this project started off with more promise than it actually delivered. I'll tell you why. I won't mention any contractors' names, but the original contractor did a fairly good job in implementing the program. Then, of course, there was a second round and they made some kind of a mistake in their bidding, so that their pricing was a little bit out of whack. They lost the second round to another contractor, so a brand new contractor had to take up in mid-stream and that second contractor just was never able to get the project up off the ground. They struggled and struggled and fired their first project manager because he wasn't able to get it moving and in then, I think that they finally muddled and puddled their way through and came up with a program. Meanwhile, we lost a tremendous amount of momentum. The notion here is if you have a ten year program, it's probably not a good idea to change horses in mid-stream if your horse is doing a good job. So maybe you ought to bid the project for ten years rather than having a second bidding after five years.

Q: But you wouldn't have been allowed to do that.

CHETWYN: We would not have been allowed to do that and I doubt we'd have been allowed to do that today.

Q: But the continuity of a contractor is pretty fundamental.

CHETWYN: It is very fundamental.

Q:...For this kind of a project.

CHETWYN: Yes. Another project that, well, you know there are things that were happening on the organizational front too. When the Reagan administration came in they were doing a lot of streamlining in the Agency. And one of the actions that they took was to integrate the Office of Urban Development into the Office of Rural Development and they created the Office of Rural and Institutional Development. I was a Division Chief initially, then, I became Deputy of that office, then Director of that office. But the Division that I brought in was a carrier of the old Office of Urban Development. Actually, we brought into that office two streams of activities. One of those activities was the micro-enterprise activity, which we set up as a separate division in the new Office or Rural and Institutional development. Then there was the Regional Resource Development Division and that was the division that I headed up in that office. And that office carried over a lot of the portfolio of the Office of Urban Development. At that time there was a big dispute in the Agency between the Office of Housing and the Office of Urban Development and originally that was one of those turf issues that the Agency has had many of and probably shouldn't be too proud of. We would have had a much greater impact if the Office of Urban Development and the Office of Housing Development had been able to work together. But that really never happened. Our Bureau made a lot of efforts to make it happen, but it never did.Part of the negotiations in this reorganization within the Agency, resulted in the Office of Housing having the responsibility for large cities and Urban Development Policy grew large in the Agency, including representation at the Human Settlements Council of the United Nations. The Office of Rural and Institutional Development would have responsibility for work in secondary cities and in market towns and regional development.

Q: Let's back up. It's quite clear from what you've said so far that you were out front is a creative center in the Agency in terms of coming up with initiatives of one kind or another that were then planned out. Perhaps we can get a clear idea of the evolution of the organization over time. You mentioned it somewhat, but maybe we can get that picture in hand first.

CHETWYN: What the Agency was struggling with was of course, I guess a battle over resources and who should ... I think that the Regional Bureaus were reluctant to see resources going to a Central Bureau because they felt after all, they were on the front lines where it was happening, why should a Central Bureau get these hundreds and millions of dollars when we could make much better use of them. And the Central Bureau was saying, "How are we going to improve our overall activities as an Agency unless we have a research arm and some kind of an entity that will keep us on the cutting edge and integrate new research findings into field activities and into policies." So, if you were a office within the Central Bureau, and it went through several different names. Joel Bernstein started off with the Technical Assistance Bureau, then Sandy Levin came in and became the Development and Support Bureau, emphasizing our support to the Field Missions.

Q: And less research?

CHETWYN: Less emphasis, I think, on research under Levin. He was operating as a politician and he was trying to satisfy his constituents out there and his constituents were the Missions. So what do you call your Bureau? You call it the Development Support Bureau because its there to support your constituents...the Missions. Then Nile Brady was hired as the head of that Bureau, and of course, he came out of a very strong research field. He was head of the Rice Research Institute in the Philippines. Nile had a very strong sense of the research responsibility of the Bureau, keep the Agency on the cutting edge to create more of the Green Revolution miracles, in not just agriculture, but the other fields. He was a very strong spokesman for this point of view and had the ear of the Administrator. And so he named the Bureau the Bureau for Science and Technology.

Q: Did you sense a major difference in these three eras so to speak, from the Technical Assistance, Development support to the Science and Technology in terms of what you were working on?

CHETWYN: Our progression was not that all influenced by it because we had a certain point of view. Our point of view was that we were there to serve the Missions.

Q: And that was from the beginning?

CHETWYN: From the beginning... and so as a result we tended to have, on a relative scale, a pretty good relationship with the Field Missions.

Q: Can you sum up some of the evolution of the offices that you were associated with, in terms of bringing about certain changes and themes. You've done some of that, but you might be able to sum it up.

CHETWYN: Yes. First there was the Urban Development staff, which was responsible for coming up with the policy and program. Once we got a substantial program we were made an office. We became the Office of Urban Development. As an Office we became a little more visible and were affected more by confrontation with other offices like the Office of Housing, which had some responsibilities in this area. But we worked very, very hard to cultivate collaborative relationships with Regional Bureaus and with the Field Missions. Then with the merger, with the Office of Rural Development, we found ourselves in an environment, which the Director of that Office had been making very strong strides in the effort of the collaboration with the Regional Bureaus and had in fact come up with some mechanisms that were very effective. They called them Cooperative Agreements: Cooperative Agreement Mechanisms. Because Cooperative Agreements allowed the Office to foster a stable of resources, and by resources I mean, not just manpower, but I mean development of information, development of techniques and technologies. These could be used by the Regional Bureaus and really, in a way, owned by the Regional Bureaus. These Cooperative Agreements were set up with a concept called Buy-In, such that the Regional Bureaus could invest in a piece of the Cooperative Agreement in exchange for services. What are some good examples?

In land use was a project called Access to Land, Water and Other Resources, we had a offered agreement with the University of Wisconsin's Land Tenure Center. The Land Tenure Center was doing a lot of research on issues of land tenure, which were thought to be very critical to agricultural and rural development, especially in Africa where land tenure was a greatly confused issue, also in Latin America. The Missions would buy into the land tenure center, the land tenure center would ... let me back up. The office would work with the Mission, develop a scope of work for the land tenure center, lets say to examine traditional land tenure laws and practices in Ghana. Then the land tenure lease center would send them out, fielding research and development teams to flush out that issue, they'd work with local institutions, local researchers and come up with a product at the end.

Q: This is to produce studies?

CHETWYN: To produce studies, to produce policy recommendations or to produce the elements of what might become a program for the Mission, in other words, to lay the foundations for a project paper for the Missions. So we had property agreements in a whole range of areas, that is the Office of Rural and Institutional Development. They covered agriculture marketing, decentralization of finance and management; we had one in transitions to democracy, which came later on, agri-business and marketing strategies. We had a project called the Institute for Policy Reform.

I keep getting ahead of the game. I'm getting into the Office as it was when I left. The Office of Rural and Institutional Development had basically three areas for improving agricultural production and support systems. That included things like rural savings, mobilization, small farmer marketing, access, that is the marketing for small farmers, a general area field of services program development, another area called increasing non-farm employment, which is essentially the micro-enterprise portfolio which had programs on entrepreneurship and small-scale enterprise, employment research, employment enterprise policy analysis, policies for promoting small-scale enterprise, and agro-industrial development, small scale again. We had a very large program with the appropriate technology institute of ATI. That was largely a program that was mandated by the Congress. We had a program on labor force planning. Then another major area we had was improving access of the management of natural resources. There we had a program on water management, a program called Forestry Fuel Research Development. This was a project which was co-managed with the Office of Agriculture, if I could digress a minute.

This also became a part of the trend of the mid- to late-1980s and that was to get the different offices of the Bureau to work together and collaborate on the projects where they had over-lapping interests. So this Forestry Fuel Research Development Project, which was meant to be kind of a Green Revolution-type project but in the area of forestry, coming up with rapidly growing species. It was a division of responsibility because the Office of Agriculture was interested and expert and the Office of Natural Resources was working on the technical side, the technical research side of it. Our Office was working on the Social Economic-side, that is how you get farmers to adopt these new species. So you had basically three offices in the Bureau working on this one project, and all three putting money into it. You had the Managing Energy and Resource Efficient Cities project that I mentioned earlier, something called Human Settlement and Natural Resource Systems Analysis, which was working with basically rural market towns. We had the Development Strategies for Fragile Lands and the fourth area was called Institutional Development. In fact, probably one of the main stays of that divisions was Jeanne North. The projects there were performance management, institutional development, research and development, world development research initiative, a local revenue generation and administration and all four of these divisions had something that they called Field Services and Program Development. That was a kind of generic resource for helping the Field Missions.

Q: And more recently this has evolved into what? In the last years of your time there was this all that was going on? Or was there another evolution?

CHETWYN: There was a further evolution of this Office. First of all the micro-enterprise activities were transferred to the relatively new Private Enterprise Bureau. The Office was converted to something called the Office of Economic and Institutional Development. Really, when I left it, all of the areas that we had in the Office became three of the four pillars of the new Global Resources Bureau.

Q: What were those three?

CHETWYN: It was Natural Resources Management, Democracy and Governments and, I believe the third was a policy.

Q: These were the four centers, so to speak, that you were talking about?

CHETWYN: That's right.

Q: There was environment and natural resources, economic growth, democracy and population health and human resources was added later.

CHETWYN: Yes. I think there were environment and natural resources, democracy and governments and the third area that was a part of our portfolio was economic growth.

Q: And they all grew out of your area?

CHETWYN: Yes. Therein lies both the strength of the Office and its weakness. That is, the Office was kind of looking around the corner of development and aligning itself for the future but it was doing so in areas that were very apparent to the Agency as being the critical areas that the Agency wants to associate with.

Q: Many ways programs were associated over time were through the Office or area of work that was a pioneering effort in a lot of areas. Some got lost, but others got picked up and it evolved into much larger-scale efforts. Would that be a fair statement?

CHETWYN: That's right. A lot of them were, for example, on policy reform, became central to the economic growth of the new Bureau. A lot of the work we were doing in natural resources became part of the Natural Resources Element of the new Bureau, or part of the reorganized Global Bureau.

Q: Obviously you must have found that this area was hard to establish an identity compared with the population people or the health people or the agriculture people and the education people. How did you find that dilemma, because I assume that you would be more vulnerable to the winds of change and ideology. Did you find that so?

CHETWYN: One of the difficulties that we had to struggle with all the time was that, working on the institutional and social science side of the Agency problems we cut across sectors. So we were a cross-cutting sector. In fact, on of the things that I explored toward the end was the development of a cross-cutting staff of some kind within the Global Bureau. In other words, some kind of group that would be mandated to look across the sectors that the Global Bureau was operating in and to see what the cross-cutting institutional and social economic and human resource issues were. The problem with that was that you need resources, you need a portfolio in order to do that and if you had a portfolio it was hard to take on a kind of a neutral cross-cutting role. You fit more into the category of one of the line offices of the Bureau if you had a portfolio.

Q: Did you find a problem with people really getting interested in the social institutional dimension of the development process as opposed to the technical area?

CHETWYN: The Office enjoyed a great deal of success in the area of working with the Field Missions, so that people, who counted, that is, the Field Missions, were highly supportive of our efforts. We had the highest volume and proportion of buy-ins to any other office. Two-thirds of our budget came from buy-ins from the Field Missions. Which I think is an indication of two things: one, the relevance of the programs that we were involved in to what the Missions were trying to accomplish; and two, our style of operation. We listened; we listened to the Field Missions and worked very closely with them to help them to achieve their ends. The Missions felt a great deal of ownership of the programs that they bought into with us.

Q: How about your relationships with the technical areas like population, health, education? How did you find trying to be a cross-cutting function in relation with those sectors?

CHETWYN: It was always hard.

Q: You already mentioned housing.

CHETWYN: Well, yes. Even housing was in the Private Enterprise Bureau, it was in a different Bureau. But even within our own Bureau it was hard to get beyond lip service when it came to collaborating on programs. Nile Brady was a very tough taskmaster on this and he worked very hard to get the office to cooperate, as did his successor Rich Bissel. In fact, Rich Bissel, was a champion of offices working together and presenting a united front to the Field Missions. One of the things that he did that I was really very proud of, was that he made the Chairman of the Women in Development Action Group within the Bureau which was, certainly I guess I shouldn't say Chairman, I should say Chairperson. The idea was. Let's have all of the Offices of the Bureau working together to help come up with a strategy and a program for women in development and to become a leader in the Agency in this area. We had a series of meetings in which each of the offices, we hired a contractor to work with us, but we had a series of meetings in which each of the Offices presented its portfolio of Women and Development projects and came up with examples of ways in which their area was impacted by gender and gender issues. In the end we produced this synthesis report called Gender Relative Findings: A Synthesis Program Report of the Women and Development Action Group.

Q: When was this?

CHETWYN: This was, let me see, this was 1992. The report was finished the month I retired from the Agency.

Q: And do you have a sense of how that has impacted on the Agency since then? The program?

CHETWYN: Actually, it did continue and I know that the Agency has a policy in this area and the Bureaus have a policy. That was our objective, to try and move the Agency in the direction of having a comprehensive policy in this area in all of the sectors in which we operated.

Q: How did you find relating to Congress on this? Because, again, as I said you didn't have a clear identity and that, of course, could effect your resources.

CHETWYN: I never did testify before Congress and the only one in our operation that did was Mike Farbman because there was a tremendous interest up there on the Hill in the micro-enterprise area. Particularly Vinnie Hillman, was keenly interested and Mike was called on to testify from time to time.

Q: And there was a very active advocacy group, a private advocacy group that was pressing hard.

CHETWYN: That's right. I know that the private advocacy group has really started the march on the small-scale enterprise activities. I think that, for example, a couple years ago they had a micro-enterprise congress in which 3,000 people from all over the world attended. And they're trying to get the results incorporated. "Results" is still around and "Results" is the one that sponsored that part.

Q: How do you account for that...you had such a range of activities? Some like this one had passionate support behind it and others did not. What were the things that seemed to make enthusiasm and support, when others did not?

CHETWYN: Good question. I guess you had to have Congressional backing. This is increasingly the case. Micro-enterprise started off as this little germ of an idea, became a project, became a Division, became an Office, became a Congressional Mandate.

Q: Became a movement.

CHETWYN: Right, became a movement. It is big. The natural resources work should have given, what we see today and the concerns that we see today, that work should have moved in a similar direction. It did become projects and it did become a Division and there was an Office. But, I don't sense that it ever had the same kind of support in the Congress as say, Micro-Enterprise.

Q: It got caught up in the environment.

CHETWYN: I guess that's another point, and that is, if you are in an area that has an outside lobbying group then you will do well. You will do well in Congress and you will do well in the Agency. AID is prohibited by law from going into expensive educational programs in the U.S., but that's a bit of a shame. There are areas that we do see the needs quite clearly on the strength of our being on the ground in so many countries in Field Missions and connected with you know, the research entities in this country. And you know, we ought to be able to engage in informing the public. I don't know what the answer is to that.

Q: Did you find given the several administrations that you went through that there was some sort of ideological swing that moved you one way or the other and affected your work?

CHETWYN: Yes. There was pretty clearly, I think, there was a change obviously with the "New Directions" legislation; there was a change when the Reagan Administration came in. One of the initiatives that the Reagan Administration introduced that I wish we had gotten into earlier was, I think I mentioned this before, and that is, we had ignored the private sector pretty much. It's pretty obvious that the private sector has got to be at the heart of a countries growth and development. Who knows how much more effective we might have been if we had gotten involved earlier in private sector work and work with local government.

Q: What about the work in municipal government? It's become quite common. Any of that spin-off from earlier work?

CHETWYN: The work in municipal development is a spin-off of evolution into working with Development Administration, Development Management and local government. We came in through the management door. We've done a lot of work in our Bureau and in the Agency of a modest nature in public administration and management.

Q: And the decentralization movement? Is that part of your time?

CHETWYN: Yes, in fact we introduced a lot of decentralization and local government programs in the late 1980s and early '90s. And these put us in a better position than we might have been to respond to the needs of Russia and eastern Europe. I think we were hindered in this work to some extent in large regions of the world, like for example in Latin America where it just was not in the nature of things for us to be able to work at the local level effectively. Everything was so centralized until relatively recently when the democracy movement has obviously created a sea change in Latin America.

Q: How about the other regions?

CHETWYN: We have had the greatest success working at the local level in Asia. In Africa our work at the local level was hindered just because we had limited resources always relative to the magnitude of the problem. People just felt that working at the local level of government was never a priority.

Q: Were there significant differences between the regions in terms of those things apart from the local government portion that they picked up on that they were more interested in especially in the different development interests? Or was it not bureaucratic?

CHETWYN: I always felt like the Bureaus programs in some way reflected the nature of the Region. Our work in Latin America was largely with the central ministries. The work in the African Bureau was largely in agriculture because it was a rural area. And our work in Asia was much more eclectic. We seemed to be working, and I guess we probably did more local government work in Asia than anywhere else.

Q: And then what happened, considering that time I guess, when the newly independent states, came into being in the former Soviet Union countries. Did that infringe on it while you were there?

CHETWYN: Yes. And thank you for raising that. In the late 1980s we knew that we were going to have to provide technical assistance to the former Soviet Union. So we tried to develop a portfolio of programs that would prepare us for this. We set up a working group with the National Academy of Scientists panel of experts to help us surf through this effort of how you undertake a transition to democracy. How do you make the transition to a free market economy in this part of the world that was so burdened by the communist system. Then we brought in experts from all over the country, the top experts comparative political theory and comparative economic systems. They were very thoughtful, they gave a lot of time and thought and energy, and in the end they said, "Look. No one has ever done this before. We can tell you what the end state should look like and we know all about the systems that they now are experiencing, but no one has ever made this transition in this direction. Transition has evolved into the other direction, that is from private and democratic to the communist totalitarianism system economy." So basically they couldn't tell us. They said, "Look, we know you're going to do this thing and in doing so do no harm." But they really did not have a good sense in how to go about this transition. So, we did struggle with that and there were programs in our Office that were designed to address this area. You had, for example, a program on election assistance. We had a whole series of programs to prepare the Agency for this work with the former Soviet Union on transitions. We had one called the Transitions to Democracy Program which was to support analysis and assessment of democratic needs on a country-by-country basis; actually go into countries and do sector assessments. We had one called the International Foundation for Electoral Systems, which would go in to help countries to set up and manage and carry out their elections. We had one called: Decentralization of Financial Management, which was working on policy reform and institutional reform and development. We also had programs in the economic area. We had a program with the Institute for Policy Reform for improving policy capability. We had a program called Implementing Policy Change. Also a program in financial resource management, which was also working on policy and reform in the financial area. These are all programs that were geared to helping with the transition.

Q: Was there any policy or strategy paper for the Agency to deal with these transition countries or was it a matter of feeling our way?

CHETWYN: I'm sure that that happened after I left. We were feeling our way at that time. On one of the things, a few reflections that might be useful: During this period of the late '80s, early '90s, there was tremendous competition within the U.S. government. I'm talking about across the board in the U.S. government, for getting in on the action and helping these countries with the transition. It was a very sexy thing. Agriculture was in there, Treasury, HEW, everybody was in there fighting for a piece of this action. State Department was supposed to be coordinating it and I can't remember the Ambassador's name, who was coordinating it. He was not a Pickering by any means. He had been an Ambassador in a very small, relatively insignificant country and I felt that we weren't giving this effort the kind of leadership that it should have had. My feeling is that we should have sent a very strong signal to the Russians who were taking this thing very, very seriously. We should have brought in Jimmy Carter, Richard Nixon, Henry Kissinger, someone of that ilk who could have knocked heads across government departments and brought some order to the chaos in this area. We could have done a lot better job in the way that we mounted our efforts to assist with the transition.

Q: You retired in 1992.

CHETWYN: Yes.

Q: We can talk about what you did after that. How do you look back on that period of time? I must say it was a period of many opportunities for creativity. There must have been frustrations in getting things up off the ground and so on. How do you size up that period of like twenty-some odd years?

CHETWYN: I really feel very good about it. I always had a chance to be creative and I felt that I had a tremendous opportunity to work with creative people. One of the things that was unique about our operation over the twenty years is that we took a very multi-disciplinary approach with everything that we did. We had work with scientists and anthropologists and geologists and so on, all working together in a problem-solving mode. I really enjoyed all of my AID career. There were always frustrations, always problems, always bureaucratic struggles, and there were disappointments, but, you know...as..

Q: What stands out in your mind as the lessons of that experience and how you functioned in the cross-cutting world of developmental issues?

CHETWYN: First of all if you are a Central Agency you must realize that the culture of the Agency is Field Mission, it's not Central Bureau. So, if you are going to succeed as a Central Bureau you've got to learn to live and be productive in that culture. That means you have to listen to the Regional Bureaus, you have to ally with the Regional Bureaus, you have to scratch them where they itch and it's through working with them that you'd be able to provide the kind of technical leadership that is the mandate of a central research and technical support group. So living within the culture, recognizing the culture for what it is. Every opportunity to influence the Congress should be acted upon, in terms of the way you package information, the way you represent your programs, you can't go out there and start lobbying but you can certainly take every advantage that there is to inform the Congress.

Q: Other lessons?

CHETWYN: I mentioned some of the lessons of bringing in young people, giving them an opportunity to perform through intern programs, building networks. Networking is still a very important activity for someone who is working in a Central Bureau in the Agency.

Q: That's clearly one of the lessons to build a network.

CHETWYN: That's right: to build a network of resources outside of the Agency that can be drawn upon and build a network of colleagues within the Agency.

Q: How did you find, over that long period any evolution in the quality or the level of expertise of the staffing for the Central Bureau?

CHETWYN: What do you mean by that?

Q: I think that there were some views from what I've heard from other people that we've interviewed that the level of technical competence of the Agency has not held up as much in later days as much as it was in the beginning. The people that have come in have not brought in or given as much emphasis to the high standards of technological competence.

CHETWYN: It always sounds like sour grapes, when you've retired from the Agency and are asked to look back and compare it to what it was in the old days. I sense that the Agency is not attracting the caliber of person that it was back in the '50s and '60s and '70s. I just thought that the people who made it to Mission Director and Bureau Heads and so on, back in those days was really quite outstanding within the government. I don't think that that's any longer the case.

Q: Do you have any sense of why that may be the case?

CHETWYN: The AID program under Kennedy was creating a great deal of excitement. The country was even maybe a little excited about it. You remember with the initiation of the Peace Corps and the Alliance for Progress and there was a lot of powerful rhetoric around this idea of America helping the rest of the world to develop and transform. The Agency has been bludgeoned by Congress to such a degree that it is tough to attract the top people. There are too many other opportunities out there. When young people come to me and ask about a career in International Development in AID, I say, well, you really have to have it eating at your gut. You've got to prepare to do the catechism, be prepared to learn language, go through the Peace Corps, etc. You better have a background, an MBA that you can fall back on because the opportunities are diminishing rapidly, it seems to me. I just read in the paper this morning that the AID program is something like $1.8 billion less than what the Administration has asked for. I may have those numbers wrong, but it's just been a gradual deterioration of budget, of the Congressional documents in the program. The other reason that the technical level within the Agency is lower, is because we are now an Agency of managers and not and Agency of technical hands-on doers. The real opportunities for a technical person to operate in a technical venue are no longer there. And that's legitimate.

Q: Let's come back to some of those points. Why don't we have a full review of some of the consulting work that you've done since then. You've had some interesting assignments. After you retired in '92, what were some of the tasks that you took on?

CHETWYN: The first year after retiring, I did a lot of traveling. My wife took the year off and we decided to see what retirement was really like. At the end of that year, I was asked if I would be the Director of a Municipal Finance and Management Project, which was a $25 million project with technical assistance to Russia, Ukraine and Central Asia. I wound up working intensively the next three years in a part of the world that I had never thought I would see. I remember the first trip to Russia. There was Ron Johnson, the Vice President of RTI, the company that I was working with and Ted Criptis, who was the USAID project manager of the project and myself, and we were standing there in front of the onion dome on Red Square and we just sort of looked at each other and said, "Can you believe that we are actually here?" It just seemed unreal. That was a project that drew in a lot of my past experience in municipal development and management. That was a three-year contract and, like I said, it was very intense. We had offices in nine cities in this region, including three in Russia, one as far away as Vladivostok. We had offices in Moscow, Nizhny Novgorod and Vladivostok.

Q: With personnel assigned to all these areas?

CHETWYN: Yes. We had staff in all the offices.

Q: What was the project supposed to do?

CHETWYN: The project was supposed to assist the cities in coming up with a system of financial management and of municipal management that was more consistent with a democratic system of governments and a free market economic system. We did a lot of computer systems work in these cities. We think of the Russians as being so advance technologically, and yet they were really operating almost in the dark ages when it comes to management. One of the reasons for that is that municipal management was really a very low priority under the old system. Most of the decisions were made at the national level. The communist party was very much involved in decision making up and down the line, so that the employees of the cities were really employees of national level ministries. There wasn't really a local government, as such. The cities were managed from the center through local representatives and their ministries, all of which had to report in one way or another, and were overseen by the communist party, which had a parallel organization at all levels of government.

Q: Sounds like an impossible thing to reform.

CHETWYN: It was tough, because these people came with a great deal of baggage from the past. As I told our people, when you're working with these folks and trying to relate to them, think of what it would be like if they had won the Cold War and somebody had come in and told us, "Sorry folks, the democratic system, the free market system is not the viable system for the next millennium and we're going to have to make a transition to a command economy and a communist system of governments." Even if we accepted that, or maybe even if we welcomed it, how difficult it would be for us to grasp the concepts, because all of our lives we had been taught a different way. All of the synapses in our brain would be wired the wrong way. Just think of it in that way when you are trying to get your ideas across with these people and in fact, I enjoyed working with the Russians. I found that there were enough Russians open to change to make it worth wild. There were enough Russians who were closed to change to make it very difficult.

Q: What areas did they seem to be the most responsive to things that you were trying to bring about?

CHETWYN: They loved the new hardware and software and they were very eager to come up to speed in that department.

Q: What did they use it for?

CHETWYN: They used it for the new systems of management that we were giving them. For example in Nizhny Novgorod, we installed the same system of financial management as we use in Chicago, Los Angeles, and Dallas. It's a system that has a lot of transparency, has a lot of trails and accountability. It has double entry bookkeeping and all kinds of things that they were in no way accustomed to and resistant to. The Russians were just... I mean I can appreciate the difficulty that they are having today negotiating with them over their own principles.

One example, installing this new financial management system in Nizhny Novgorod involved them taking a program from American Management Systems that was licensed. They had to sign the license agreement and this was something that was just not part of their culture. They did not understand this. We were giving them the stuff, why couldn't they have access to the code change itself, do anything that they wanted to do. So after three months of to-ing and fro-ing, they sent back the license agreement totally changed. They had even changed the format for it. They had completely rewritten it...completely. And you can imagine the reaction of the legal office of American Management Systems signing a license agreement, you can tinker with them a little bit, but it is just pro-forma.

So I knew it wasn't going to work, so I invited the Russians to come here and negotiate face to face with AMS in their headquarters. They came here and after weeks of negotiations we were nowhere. So I said okay, forget about this, take the weekend off, don't think about it. We're going to come back on Monday, I'm going to extend your stay here and we're not going to leave the building until we drink champagne. So, Monday we showed up and to make a long story short, I called home and said that I wasn't coming home to supper that night. Then I called home and said I'm not coming home tonight. I didn't come home the next day and I didn't come home the next night. It wasn't until 1:00am on the third day of negotiating, never having left that room, never having slept, bringing in food, the interpreters were exhausted, that we drank champagne and signed he license agreement. During this time there were calls back and forth to Russia and so on.

Q: They're really tough negotiators.

CHETWYN: They are tough negotiators. Basically we come into a negotiation with the sense that we are going to have some trade-offs. They come into a negotiation with a posture. We make a concession; they repeat their posture. We make another concession; they repeat their posture. And so on that process goes, until in the end you've gone as far as you can go. And it's only at that point, and only when you signal that you've reached that point by doing something bizarre, I've talked to women lawyers who have cried, and brought them around, people who have walked out of meetings and in this case, I simply said that we were not going to leave the building.

Q: You didn't even start out with a concept of this kind of relationship in which .it was not just negotiations, it was also a different cultural phenomenon.

CHETWYN: They had some valid points, for example, the standard license agreement will reference some commonly accepted state code as the basis for arbitration. In this case New York State is the one that AMS uses because it is a very commonly accepted code. They said, "This doesn't make any sense at all. What are you going to do, send a state police out there? A New York State police if something goes wrong?" So, in the end there is a Geneva Convention Arbitration and we adopted that. We made a few concessions, but anyway that project went very well. AID got into a dissemination phase where we spread these activities out to a number of different cities. We worked with at least twelve different cities in Russia and got it to the national level in Kyrgyzstan and really got into developing the Association of Mayors in the Ukraine. A lot of national level legislation is still going on today. It was very successful.

Q: What were some of the other components? You talked about financial management systems, computer systems, were there other components of reform?

CHETWYN: Yes, we did different things. For example in Moscow, we came up with a reform of the ambulance service there. In Vladivostok and in countries in the Ukraine we came up with economic development offices and regional economic development authorities.

Q: How did you decide? Were these something that they wanted help with?

CHETWYN: We would work with the municipal administration, with the mayors and so on, in an attempt to come up with priorities. They would usually have a wish list of things. The USAID Missions had their ideas of what the priorities would be. We worked very closely with the mayors and with the Missions and with our contractor resources to come up with priority areas. We had certain mandates within the contract. We had municipal finance, municipal management, municipal development. I know that's pretty broad, but what we would do in one city for example we came up with a reform of the personnel management of the city. Hiring, how you set the salaries of city employees and evaluation of city employees, system of record keeping.

Q: How did they deal with the decentralization of authority? Was that an issue?

CHETWYN: That was an issue in all of the cities. In all of the cities they were fighting for more authority. For example, in Kyrgyzstan we developed the first city charter of the country and the president was very enthusiastic for that and wanted to pick it up as a national model for developing city charters for all of the cities in Kyrgyzstan. In Ukraine we did a lot of work in helping to set up the Association of Mayors, which now is the Association of Cities. That organization does a lot of lobbying at the national level to try and improve the autonomy of the cities.

Q: After you finished that project, anything that stands out as something you learned from starting up that project? It must have been a very special experience working in that situation.

CHETWYN: It was a special experience. It underscored, first of all I don't think that there was the coordination within this program, within the countries, between contractors for example, that I think there should have been. I think that in all the countries, the Ambassadors and so on were struggling with the issue of how to get the program more coordinated.

Q: You mean by the U.S. side?

CHETWYN: Yes, that is getting the U.S. side more coordinated. We could have been more effective had we been more coordinated. But it's hard; hard to get contractors to coordinate because it runs against the culture of contractors to do that. I think as an Agency we need to think about some way of bringing about coordination between contractors that somehow copes with the corporate structure being basically competitive. I don't know what the answer is to that but the problem to me is fairly clear. Maybe the answer lies somewhere within the government procurement office.

Q: Other observations about this experience?

CHETWYN: Yes. We are always, always constrained by the convoluted rigors of the government of AID's contracting processes. There are huge delays because so many elements of what we did required approval of the contracting officer, who was not the technical officer. There was not, I felt that there was conflict between the technical side of the Agency and the contracting side. And there was conflict between the contractor and the contracted side of the Agency, such that there were many disputes and many delays that just shouldn't have been. The Agency could be much more effective if it could somehow work out these constraints to operation. Maybe the answer is to somehow bring Congress in on resolving that problem because, of course, the Agency contracting has become what it is in response to layer upon layer of Congressional restrictions and inquiry.

Q: Any other?

CHETWYN: Yes. These were three-year contracts. Almost all of them were three-year contracts. I don't know what the hell we thought we were doing. I don't know why we thought that we could get in and get out in Russia, for god's sake, in three years.

Q: Any idea why three years was it? There wasn't any long-term prospectus?

CHETWYN: You know we managed to get another year or so, a trickle of additional resources to continue with this outreach part of the program. But how in god's name did we think we were going to get the job done in places like Russia with these three-year projects? The other thing is they were huge. And my nightmare as a project manager was how the hell are we going to spend $25 million effectively in three years? We rushed in with sizable resources and very unrealistic expectations. I don't know what that was all about. I think that Congress wanted very quick results there and didn't want a long -term commitment with Russia.

Q: Do you think it made a difference in the countries?

CHETWYN: Oh, yes. We opened the eyes of a lot of people to the notion that there is another world and there are better ways. I mentioned there are so many problems that weren't addressed and ultimately created the situation that we are in today. We did not recognize the safety net problem. We did not focus at all on the need for a safety net. We were laser focused on transition. Secondly, because we didn't really understand the sequence of the events of the transition and how one institutional droid would lead to others and so on. We made some mistakes. When I say we, the Russians and the donors, together, I mean the Russians are certainly stirring in their own juices and there are certainly things that we could have done to make it work better. Safety-nets, also the rule of law and the fact that it goes beyond constitutions and city charters and so on. It goes into the police protection of the society and we basically had a breakdown of that. We had a breakdown of law and order, because there was no such thing as a local police force. The police forces were all national. The breakdown of a legal system to cope with the law and order of the country, a legal system that the communist party and its regime had imposed it for, created a great void in which the Mafia exploded and expanded. That's been something that Russia and the rest of us have been living with since that time. There's just so much.

Q: That's very interesting. And after this experience did you have others of experience.

CHETWYN: I went to Poland and worked with the Mission there in designing a decentralization project for about fifty cities in Poland and it was called the Local Government Partnership Program. It was a program in which there was to be sharing of information among and across cites and assistance from the United States to help with the management and development institutions and capacity of up to fifty cities in Poland. Now more recently I have been working in Ukraine on a program for the cities to prepare proposals for the World Bank and other international lenders. The part that I've been working on, in fact my wife has been working with me as a team, is how to get the public involved in the project selection and development and preparation process, just the participation element of getting cities to ready apply to international credit for municipal works.

Q: Community support.

CHETWYN: That's right. Because no lender is going to go in there because they think that a lack of public support could lead to early default.

Q: You were training local people to do this?

CHETWYN: Yes, we were helping them to do public surveys, to do focus groups of various stakeholders, to do stakeholder analysis and identify who the stakeholders are and then work with them; to hold public hearings and incorporate public hearings into project selection and design.

Q: Who were you working with following that?

CHETWYN: We were working as part of a research private institute team. Of course, it was a USAID sponsored program. But on the recipients side, we worked with the mayor and the staff in two pilot cities. My first job was to head-up a selection team in which we went in there and selected two of the four candidate cities to participate in this program...two pilot cities. Now we're working with the mayor and his staff and his set-up committees for this activity. The committees include representatives of private and voluntary organizations and various public and assistance groups as well as the city. Basically our approach is to train trainers in these various things that then go in and work with the city resources and train them. They come up with and agenda and schedule and actually conduct these things. They've conducted surveys; they've conducted a number of focus groups and public hearings. Public hearings coming up now, we go back out there in September. So, that's the way it's gone since I left AID.

Q: Well, that's a fascinating career and many exciting areas that you've been associated with. Looking back over thirty or so years, what kind of universal lessons come to mind about how you've worked with developing countries and local programs?

CHETWYN: Oh boy. That's a good question. First of all, I think that the basis for any kind of a program ought to involve a lot more information exchange that has ever gone on in the past or goes on now. There probably ought to be a period in which we engage in seminars and workshops with local officials and public and get a better mutual understanding of how we can work together effectively and what the priorities might be given whatever constraints that they have. If we did that, the basis for our programs in any kind of a country, we'd have a better basis for working with any kind of administration that we might have and with the Congress.

Q: You're not talking just in developing countries, but in the U.S. too?

CHETWYN: I wasn't thinking of the U.S., but that wouldn't be a bad idea either to have some. There may be institutions that we could draw, I mean in the area of urban development we could draw on the sister cites, but maybe we could have an AID sponsored conference of sister cities and just try to tap into their experience and see what could be learned. At the same time give a whole range of cities in this country the sense that the U.S. government foreign aid program is interested and listening.

Q: Any other lessons?

CHETWYN: I guess I've already sited a number of lessons, but there probably ought to be a more systematic capturing of AID's experience as we go. I mean this effort was obviously and effort to do that, but my sense is that you've had to fight tooth and nail to get resources for this. We ought to make a greater effort to learn from our experiences, I think, than we do. For example, there's kind of a culture or a syndrome in which a Mission Director comes into a program and has his or her own ego to worry about. They want to put a mark upon the program and tend not to be as concerned as I think they ought to be about what has gone on in the past and building on that as opposed to starting off with brand new initiatives that bear their mark.

Q: Do you find there's a tendency to ignore previous experience?

CHETWYN: Yes. From the project level to the country program level to the policy level, I think that there is a tendency not to because the culture is one of trying to come up with something new and innovative that's attached to your name or your administration or regime. The system rewards this kind of behavior, so naturally it's fostered. If someone comes in and says, "I think my predecessor has done a pretty good job here and the best thing to do is to build on that and try to expand it", they're probably not going to get any increase in their budget and they're going to have to constantly innovate. So, the culture needs to change in order to be able to capture.

Q: Let's turn to some concluding thoughts. One, do you think that foreign assistance has made a difference over these years?

CHETWYN: Oh yes.

Q: How would you characterize that?

CHETWYN: First of all, no matter where you go you find people who have been educated in this country through U.S. foreign assistance programs. In fact, and this is a radical statement, if we had put every plug nickel of our foreign assistance program into training and educating of local people that we probably would have an even greater impact that what we have had because none of that would have been a mistake. Given the range of our resources, we have a number of things that have been mistakes and failures. Overall, we've influenced people through opening up their minds to new ideas, giving them skills, giving them frameworks for viewing the world in their own work, for establishing trust in the United States and in the west and in our systems. We are struggling with a lot of problems and desperates, but look at how effective the work in promoting democracy has been and how it has changed dramatically the face of Latin America and is beginning to change Africa. That's also a good example of how the State Department and AID could would much closely together. With the State Department becoming much more committed to long-term objectives and being far less wedded to short-term political diplomatic goals and objectives. If the State Department would think more long-term, and think more strategically long-term and developmental, just think of the resource that they would have to back their policy.

On the other hand, think of how much more effective the AID programs would be if they had the Ambassador and the Secretary of State fully onboard and promoting these programs with the Congress and the Administration. If the way future collaboration works is that AID is forced to conform to the current State Department rather short-term political and diplomatic objectives in any given country, rather than taking a longer-term developmental view, and I'm talking institutional development as well as economic development, then I think that it will work to the detriment of our future success, both diplomatically and in terms of economic and institutional development. But, if we sit down together at maybe a kind of national dialog, sponsored by the Administration and involving others, maybe once that Jessie Helms has passed, and talk about how the State Department's modus operandi and AID's modus operandi can be integrated in such a way that there are trade-offs or that there is complimentarily, the future of our diplomacy and our international development work would be well.

Q: Are there, compared to the impact that you've mentioned in the training area, are there other areas, which you think that over the years with AID and foreign assistance has made a particularly distinctive contribution?

CHETWYN: Oh yes. In the areas of policy reform and helping the World Bank and IMF carry out their objectives, we have been very effective and really very complimentary to those organizations, which are seldom on the ground for any long-term period of time. Secondly, our work in institutional development has been very important, from development of medical and agricultural faculties and population control and institutions, local government systems.

Q: There was a period, and maybe it's still there, that the Agency thought that institutional development isn't as important as we might think. Have you noticed that?

CHETWYN: Institutional development doesn't have very high profile or immediate pay-off. It's a long-term thing and everyone might agree that institutions are critical for development, but I think that Congress and probably the Administration are unwilling to invest, well, not unwilling because they do make investments, but reluctant to invest the amount of time and resources into institutional development that it requires. They just need more instant gratification than institutional development produces.

Q: Other areas of contribution that you can think about?

CHETWYN: One of the things that we tried to do in the early stages of urban development was to work across sectors. To take a multi-sector approach to municipal development, a holistic approach to municipal development, and you know, we were probably mistaken in that. Any city, even today, in our country, it's rare that you find a holistic approach being taken. The sectors work unto themselves; it's up to somebody to coordinate at some level and you can do that through city councils and through the budget process and through political employees and through management of the cities. But it is rare that you are going to get the water department to worry about the land use and the zoning departments and so on. While it's interesting from an intellectual standpoint to think holistically, the real world is that sectors work on sectoral problems and we should focus on the sectors as such. We should look for opportunities for coordination between sectors. It should not be a primary objective; it should be a secondary objective and it should be something to which you release the perceptions of oversights. Folks like elected officials and finance and budget officials, but I've probably said enough about that.

Q: Did you find that integrated rural development was something that was a holistic-type effort?

CHETWYN: It was a holistic-type effort and that for reasons that I just stated, that integrated rural development was not going to be a success and I don't think that it was in very many places.

Q: What's the alternative approach if it's not holistic?

CHETWYN: The alternative approach is to take the approach that I mentioned, that is to get into a dialog. If you're working at the national level, take some time and some resources into a dialog. People get excited when they see a dialog about future resources. They really do. And they will devote their own time and resources to that dialog as well. So whether you are working at the national level or working at the local level, get engaged in a dialog about what's important, what's do-able.

Q: Setting priorities?

CHETWYN: Setting priorities; and then coming up with the most effective modus operandi and identifying obstacles and identifying stakeholders. We certainly learned this lesson. That's the way that you work with the Regional Bureaus, that's the way you work with the Missions, we ought to be working that way with our host countries and with the institutions and levels of governments that we worked with in those host countries. That's the way we succeeded with the Managing Energy and Resource Efficiently project. We sat down with the mayor and citizens and representatives of city government and had really interesting workshops in which people presented their own areas and their own ideas and you used group decision-making techniques to come up with these priorities. Basically you took democracy down to the level of prioritization and project development.

Q: Any general observations about your experience in this business before we close?

CHETWYN: The foreign AID program, from the Marshall Plan on, has been a good thing: a good thing for America, and a good thing for the world. Obviously we made a lot of mistakes, we could have done things a lot better, but that we did this at all is to our credit and to the benefit of many. I recommend strongly that we continue to use it as a tool of our policy and program of diplomacy.

Q: That's a good point on which to end this excellent interview. Thank you very much.

CHETWYN: Thank you.

End of interview